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North 'Likely' To React to IAEA Demand 14 Jan

SK1301232094 Seoul KBS-1 Radio Network in Korean 2215 GMT 13 Jan 94

[By Cha Man-sun from Vienna]

[Text] North Korea is likely to respond on 14 January to the IAEA checklist that was delivered to the North on 10 January for inspection of the seven nuclear facilities [haek sisol].

On 13 January, Yun Ho-chin, counselor of the North Korean Embassy in Vienna, who is the chief North Korean delegate to working-level contacts with the IAEA, said that North Korea would respond to the IAEA demand soon and that its response was delayed because there were many things to review carefully due to differences in basic positions [kibonjogin ipchang chairo] between North Korea and the IAEA.

He also hinted that North Korea will not completely meet the IAEA demand despite an agreement with the United States, stressing that there is no change in their position that the nuclear issue should be resolved through negotiations between North Korea and the United States.

Japan

MITI Minister Rejects New 'Quad' Trade Talks

OW1401025894 Tokyo KYODO in English 0238 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Japanese Trade Minister Hiroshi Kumagai ruled out Friday [14 January] a new round of quadrilateral ministerial trade talks on market access under the General Agreement on Tariffs and Trade (GATT).

Kumagai, minister of international trade and industry, made the remark in response to recent news reports that the United States and the European Union (EU) have agreed to call for ministerial talks among the four trading partners of Canada, the EU, Japan and the U.S. next month.

"There is no possibility of a new round of talks since negotiations have already been concluded," he said.

Working-level talks will be enough if they want to confirm agreements reached under the GATT negotiations, he added.

Kumagai also said no ministerial talks are required for Japan and the U.S. at this stage to break an impasse in their talks on a "framework" for bilateral trade.

U.S. Trade Representative Mickey Kantor suggested both sides hold high-level talks to straighten out differences.

The two parties should continue negotiations strenuously, rather than setting the stage for higher-level talks, he said.

'Gap' Remains in Bilateral Auto Talks

OW1301135494 Tokyo KYODO in English 1344 GMT 13 Jan 94

[Text] Tokyo, Jan. 13 KYODO—Japan and the United States are not likely to bridge a gap over U.S. calls for Tokyo's setting targets for its imports of U.S.-made cars and auto parts until after the bilateral summit meeting in February, a senior trade official suggested Thursday [13 January].

Sozaburo Okamatsu, vice minister for international affairs at the Ministry of International Trade and Industry, said at a press conference, "there remains a gap and both sides have to make efforts to bridge the gap."

Subcabinet-level trade officials of the two countries began talks Wednesday on auto trade, a priority sector in the bilateral framework trade negotiations agreed to last July.

Okamatsu said he will continue talks with his U.S. counterpart Jeffrey Garten until Saturday and will then have another meeting with him late next week in Washington.

The vice trade ministers of the two countries will also discuss the issue again on January 24 and 25 in Washington and on February 3 to 5 in Tokyo, Okamatsu said.

It is necessary to have a balanced package accord when Prime Minister Morihiro Hosokawa and U.S. President Bill Clinton meet in Washington on February 11, he said.

Okamatsu said the U.S. side is sticking to its call for some sort of numerical target for Japan's purchases of U.S.-made automobiles and auto parts, though it has changed its terminology to "indicators" to measure progress and results.

Japan rejected the U.S. demand for future benchmarks and instead offered criteria to assess the implementation of measures and policies already taken, as provided in the framework agreement, trade ministry officials said.

"Regrettably, we need wisdom to recover a trustworthy bilateral relationship," Okamatsu said.

Takemura Denies Construction Accord With U.S.

OW1401024994 Tokyo KYODO in English 0226 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Japan has yet to reach an accord with the United States on the opening of its construction market to foreign competition, Chief Cabinet Secretary Masayoshi Takemura said Friday [14 January].

"I have not heard yet that an agreement was reached in principle," the top government spokesman told a news conference. "I don't think we have reached an accord."

Takemura's comment followed a report in Friday's edition of a leading business daily, the NIHON KEIZAI SHIMBUN, saying that Washington has agreed in principle to accept an action program Japan will finalize possibly on Tuesday.

The action program will feature the introduction of an open bidding system for state-ordered public works projects to eliminate any discrimination against foreign participants in bidding.

The U.S. has threatened to impose sanctions if Japan fails to take steps to increase the openness of its construction market and secure greater foreign access by January 20.

Earlier this week, four cabinet ministers reaffirmed that the projected action plan should be designed to boost transparency, objectivity and free competition in Japan's construction market.

Construction Minister Kozo Igarashi, meanwhile, expressed hope that Japanese and U.S. negotiators would reach an agreement in the negotiations before the January 20 deadline for possible U.S. sanctions against Japan.

"Both Japan and the United States are engaged positively in negotiations and therefore sanctions will be avoided," he said.

The government of Prime Minister Morihiro Hosokawa is scheduled to endorse the action program at a cabinet session Tuesday.

Government sources said the program features opening biddings for public works projects, allowing foreign contractors to participate.

To be opened to foreign bidders will be national projects exceeding 700 million yen and those of local governments worth more than 2.7 billion yen, they said.

The sources said Washington raised no objection to the Japanese plan during the recent informal market access negotiations in Tokyo.

Garten Says Framework Negotiators 'Miles Apart'

OW1401093794 Tokyo KYODO in English 0904 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—A senior U.S. trade negotiator said Friday [14 January] that the United States and Japan are miles apart on what the fundamental objectives are in their bilateral trade framework talks.

Jeffrey Garten, U.S. undersecretary of commerce for international trade, told the Foreign Correspondents' Club of Japan, "It is no secret that these negotiations are moving slowly, no secret that the U.S. and Japan are extremely far apart on virtually all the issues."

Garten said that while the U.S. is looking for ways to measure progress and concrete results in the opening of Japan's markets, Japanese negotiators want to focus on process and further studies, resisting the setting of any measuring criteria.

He said the question of measurement, however it is defined, is certainly seen differently by Japanese negotiators and the U.S. side.

As to auto trade, a priority sector of the framework talks, Garten said, "There is not even an agreement on the nature of the problem."

"We haven't moved an inch," he said, indicating subcabinet-level talks this week have not made any progress.

The U.S. side has taken up trade imbalance and the question of market access as the main problems, but Japanese negotiators have insisted that Japan's markets are open and the problem is a lack of effort by American companies, Garten said.

Garten said, however, there will be maximum effort on both sides to make the negotiations a success since the results in February will color U.S.-Japan relations for some time.

"This is for the (Bill) Clinton administration a first real sort of benchmark of U.S.-Japanese trade relations," he said.

He said he was not sure how the negotiations will turn out, but expressed hope that the pieces fall into places as they get close to the deadline of February 11 when Clinton and Japanese Prime Minister Morihiro Hosokawa meet on the issue.

"The history of U.S.-Japan negotiations that I know shows that there's a lot more progress if the top leaders get involved," he said.

Top Tokyo, U.S. Military Discuss DPRK Nuclear Issue

OW1401021594 Tokyo KYODO in English 0153 GMT 14 Jan 94

[Text] Washington, Jan. 13 KYODO—Top Japanse and U.S. military leaders discussed North Korea's alleged nuclear arms development program as they met in Washington Thursday [13 January], a visiting top Japanese military leader said.

Gen. Tetsuya Nishimoto, chairman of the Joint Staff Council of Japan's Self-Defense Forces, paid a courtesy call on Gen. John Shalikashvili, chairman of the U.S. joint chiefs of staff, at the Pentagon.

Nishimoto later told reporters that he discussed North Korea's nuclear program and other matters with Shalikashvili, and got the impression that "the U.S. has been negotiating very patiently" with Pyongyang over the nuclear issue.

The United States is formulating a comprehensive policy approach toward North Korea that focuses not only on the nuclear issue but also takes into account North Korea's missile development program, its vast military power and possible involvement in international terrorism, he said.

Nishimoto is currently on a three-day visit to the United States as Shalikashvili's official guest.

Police Probe Military-Related Export to DPRK

Kanagawa Trading Firm Suspected

OW1401022294 Tokyo KYODO in English 0138 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—The Tokyo Metropolitan Police Department on Friday [14 January] launched a probe into the suspected export of a military-related, high-tech device to North Korea, police sources said.

Police suspect a Kanagawa Prefecture-based trading company, specializing in deals between Tokyo and Pyongyang, exported a spectrum analyzer which can be converted to military use.

Export of the device is regulated by the Paris-based Coordinating Committee for Multilateral Export Controls (Cocom), which tries to control the sale of strategically important goods to communist countries.

The spectrum analyzer can be used to improve the aiming precision of weapons, authorities said.

Police also suspect the trading firm applied to the Ministry of International Trade and Industry for permission to export the analyzer using false information, the sources said.

Although the device was allegedly exported to Pyongyang by the Kanagawa-based trading firm, the Tokyo-based maker of the device was not informed to which country the analyzer would be sent, police added.

The manufacturer was also not told for what purpose the analyzer would be used, the sources said.

They did not identify either the manufacturer or the trading firm.

The sources said police will question persons concerned for alleged violation of foreign exchange and foreign trade control law.

The YOMIURI SHIMBUN reported Friday that North Korea may use the analyzer for development of the intermediate-range missile called "Nodong-1."

The national daily said the spectrum analyzer is able to measure more precisely the distance between a missile launcher and a target by analyzing the rebounding of a radar beam.

North Korea last May successfully test-launched a Nodong-1 missile, which has an estimated range of 1,000 kilometers.

Trading Firm Searched

OW1401055094 Tokyo KYODO in English 0427 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Police searched a small Yokohama-based machinery trading company on Friday [14 January] and questioned its officials on the firm's suspected exporting of military-related high-tech devices to North Korea, police sources said.

Police suspect the trading firm, specializing in deals between Tokyo and Pyongyang, violated the foreign exchange and foreign trade control law by exporting spectrum analyzers which can be converted to military use.

The company, Yokohama Machinery Trading Co., is also suspected of having applied to the Ministry of International Trade and Industry (MITI) for permission to export the analyzers using false information, the sources said.

Since a spectrum analyzer is a precision device used to measure the character of an electric wave, a high-efficiency one can be used to improve the aiming precision of weapons.

Exports of the device are therefore regulated by the Paris-based Coordinating Committee for Multilateral Export Controls (Cocom), which controls the sales of strategically important goods to communist countries.

The analyzers, priced at about 3 million yen, were manufactured by an electronics maker based in Tokyo and allegedly exported to Pyongyang through the trading firm around in 1989.

But the maker was not informed to which country the analyzer would be sent and for what purpose it would be used, the sources said.

MITI Minister Hiroshi Kumagai told a press conference that he has already instructed ministry officials to investigate the case and deal with the situation.

Japan prohibits exports of weapons to the communist bloc and countries engaged in military strife. It is also necessary to receive authorization from the MITI minister before exporting weapons abroad.

Military analysts said it is possible that North Korea might have used the analyzers to develop the intermediate-range missile called "Nodong-1."

North Korea last May successfully test-launched a Nodong-1 missile, estimated to have a range of 1,000 kilometers and therefore being capable of reaching most parts of Japan.

In May 1987, an Osaka-based trading firm was found to have illegally exported to North Korea integrated circuits and equipment to measure electric waves.

Officials of the electronics maker that manufactured the analyzers told reporters Friday that the firm is not to blame for the incident, saying the export impinges on the contract.

At a press conference held at its head office, an executive said the company sold the analyzers, set to be exported to China, to the trading firm in 1989.

The manufacturer's official in charge of trading received a document from the trading house that promised it would not violate Cocom regulations and confirmed the Chinese company issued the order on the analyzers, the executive said.

The maker, which believed the devices would go to China, is a "victim" of the plot, the executive said.

A Japanese Government source, meanwhile, said the analyzers would not have been used in the Nodong-1 missile, which the source said has an unsophisticated guidance system.

Hata Welcomes Outcome of Clinton-Yeltsin Talks

OW1401025294 Tokyo KYODO in English 0230 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Japan welcomes the outcome of the summit talks between U.S. President Bill Clinton and Russian President Boris Yeltsin, Foreign Minister Tsutomu Hata said Friday [14 Janaury].

Yeltsin pledged to press on with democratic reforms in Russia while Clinton reconfirmed continued support for the Russian efforts, Hata told a news conference.

Japan will also continue to back Russian reform efforts in cooperation with other Group of Seven (G-7) industrialized nations, Hata said.

He also gave high marks to the scheduled signing of an agreement among the U.S., Russia and Ukraine which is expected to pave the way for Kiev to scrap nuclear missiles, saying the accord would contribute to the world's security and that Japan will continue to cooperate in it.

Clinton and Yeltsin are due to sign the historic accord with Ukrainian leader Leonid Kravchuk later in the day.

Talks Cut Trans-Siberia Flight Delays From Tokyo

OW1301135994 Tokyo KYODO in English 1028 GMT 13 Jan 94

[Text] Tokyo, Jan. 13 KYODO—Talks between the Transport Ministry and Russian aviation authorities have reduced delays to Europe-bound flights using Siberian air space after several weeks of long delays imposed by the Russian side, Japanese officials said Thursday [13 January].

Russia imposed restrictions on flights over Siberia late last year causing hefty delays for many Europe-bound passenger flights from Japan and South Korea.

Airlines experienced delays of over an hour to their scheduled departures from Narita Airport.

Russian aviation authorities said the flight restrictions, sent as a formal "notice to airmen" on December 28, were a safety measure following a deterioration in the reliability of radio communications equipment and would last until March 27.

The restrictions limited the number of civilian flights out of Japan and passing near Khabarovsk to a maximum of six flights per hour, one-third of the previous frequency.

Between 40 and 50 flights use this route into and out of Narita each day but each was obliged to await clearance from Russian authorities even if all passengers were on board.

As a result of the negotiations, the restrictions were eased from January 7, allowing six flights per hour from Narita alone and resulting in a 50 percent reduction in the average delay to between 30 minutes and one hour.

Tokyo Sets Meetings on Environment Cooperation

Talks With Russia Slated

OW1301135794 Tokyo KYODO in English 0809 GMT 13 Jan 94

[Text] Tokyo, Jan. 13 KYODO—Japan and Russia will discuss bilateral cooperation on environmental protection in Tokyo from January 26 to 27, Japanese Government officials said Thursday [13 January].

Among topics are prevention of air and water pollution, disposal of harmful waste and preservation of Siberian forests to help prevent global warming, the officials said.

The talks are aimed at working out concrete projects for bilateral cooperation, they said.

In Russia's Far East region, about 800,000 hectares of trees are cut down annually, posing a threat to forests which are said to keep global warming in check.

Also part of the frozen soil in Siberia has melted recently to release methane gas, a substance said to promote global warming.

Japan has carried out a joint survey since 1992 to measure the density of methane in the air above Siberia.

The Japanese team at the talks will consist of officials of the Foreign Ministry, the International Trade and Industry Ministry and the Environment Agency. The Russian delegation will be from the Environmental Protection and Natural Resources Ministry.

The meeting will be the first on cooperation on the environment since Japan and the former Soviet Union signed an agreement on such deals when then Soviet President Mikhail Gorbachev visited Japan in April 1991, they said.

Discussions With ROK Planned

OW1201135494 Tokyo KYODO in English 0852 GMT 12 Jan 94

[Text] Tokyo, Jan. 12 KYODO—Japan and South Korea will hold a meeting in Tokyo next Monday to discuss bilateral cooperation to protect the environment, the Foreign Ministry said Wednesday [12 January].

The meeting is the first to be held under a treaty on cooperation to preserve the environment signed between the two countries last June.

Japanese officials from the Foreign Ministry, the Environment Agency, the Science and Technology Agency and the Ministry of International Trade and Industry will attend the meeting, the ministry said.

The South Korean delegation includes officials from the Foreign, Science and Technology and Environment Ministries.

The participants will discuss each nation's environment polices and bilateral and multilateral cooperation on environmental problems, it said.

Japan is expected to propose joint projects including monitoring acid rain, apparently caused by emissions from China, and research on pollution in the Sea of Japan, such as that caused by Russia's dumping of nuclear waste, Japanese officials said.

Tokyo and Seoul will also discuss South Korea's request for Japan to help in the recycling and disposal of industrial waste, the officials said.

The Japan-South Korea accord covers research on acid rain, air pollution, global warming, the preservation of ecosystems and biodiversity.

Under the agreement, the conference will be held annually, alternating between Japan and South Korea.

Hosokawa Notes Plans To Visit China in Mar

OW1401090994 Tokyo KYODO in English 0857 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Prime Minister Morihiro Hosokawa on Friday [14 January] indicated his intention to visit China in late March for talks with Chinese leaders on bilateral and international issues.

Hosokawa made remarks to this effect in a meeting with a group of reporters at his official residence.

Asked about his travel plans following his visit to the United States in February to meet President Bill Clinton, Hosokawa said he has no alternative but to visit Japan's "neighboring country," taken to mean China because the premier visited South Korea last November.

In reply to a question on the timing of his possible visit, Hosokawa indicated it would be around March 21.

Tokyo To Host Vietnamese Trade Exposition

OW1301133994 Tokyo KYODO in English 0859 GMT 13 Jan 94

[Text] Tokyo, Jan. 13 KYODO—A major Vietnamese trade exposition, the first of its kind ever held in Japan, will open in Tokyo on January 19, officials of the Japan External Trade Organization (JETRO) said Thursday [13 January].

Officials said the exposition, aimed at enhancing trade ties between the two countries, will be sponsored by Jetro and the Vietnam Chamber of Commerce and Industry and supported by both the Japanese and Vietnamese Governments.

It will last through January 27 and precede the holding of a Japanese industrial product trade fair in Hanoi next March.

Representatives from 25 Vietnamese companies will be exhibiting such potential export items as marine products, coffee, handicrafts, furniture and clothing.

According to Finance Ministry figures, Vietnamese exports to Japan have skyrocketed in recent years, from 196 million dollars in 1988 to 870 million dollars in 1992.

Vietnam had a whopping trade surplus with Japan of 419 million dollars in 1992. Mineral fuels accounted for 62.2 percent of Japanese imports from Vietnam in that year, followed by foodstuffs and industrial products.

MOF Says Tokyo Likely To Resume Loans to Cambodia

OW1301132494 Tokyo KYODO in English 1013 GMT 13 Jan 94

[Text] Tokyo, Jan. 13 KYODO—Japan is likely to resume extending official yen loans to Cambodia as early as this year after nearly 25 years of suspension, Foreign Ministry [MOF] sources said Thursday [13 January].

The Japanese Government plans to provide the loans in cooperation with the World Bank to ease Cambodia's international balance of payments problem, the sources said.

The amount of the loans, however, remains undetermined, they said.

Japan last extended a 1.5 billion yen loan in March 1969.

The government is likely to decide on resumption of the loans after the International Monetary Fund (IMF) assesses the Cambodian economy in February, they said.

It is not clear whether Tokyo will be able to make an announcement on the new loans at the International Committee on the Reconstruction of Cambodia (ICORC) scheduled to be held in March, because a meeting of Paris Club creditor nations is to be held in April, the sources said.

The ICORC was set up in June 1992 at a ministerial meeting. At its first meeting in Paris last September, donor nations pledged 119 million dollars in new aid in addition to the 880 million dollars pledged at the ministerial meeting.

Cambodia is estimated to owe Japan some 2.6 billion yen. The accumulated debt is an obstacle to Japan's resumption of yen loans.

Japan has been offering Cambodia grant-in-aids for projects to improve the war-torn country's infrastructure. Japan extended 6.12 billion yen in fiscal 1992 and 8 billion yen in fiscal 1993.

Condolences Offered to Norway on Holst's Death

OW1401062394 Tokyo KYODO in English 0609 GMT 14 Jan 94

[Text] Tokyo, Jan. 15 KYODO—The Japanese Government on Friday [14 January] offered its condolences to Norway over the sudden death of Foreign Minister Johan Holst on Thursday and said it will send telegrams expressing its sympathy.

The death of Holst, who played a pivotal role in the Middle East peace process, was "a great shock," said Foreign Ministry spokesman Sadaaki Numata, adding it is a loss not only for Norway but the whole world.

Prime Minister Morihiro Hosokawa, Foreign Minister Tsutomu Hata and other Japanese Government officials will send telegrams of condolence later in the day, the spokesman said.

Holst, 56, who was instrumental in brokering the historic agreement between Israel and the Palestine Liberation Organization (PLO) last Septmeber for limited Palestinian self-rule in the occupied territories, died after reportedly suffering a stroke.

He visited Japan last October and held talks with Hosokawa and Hata.

Thais, Chinese Accused of Illegal Entry

24 Thais Questioned

OW1401030094 Tokyo KYODO in English 0212 GMT 14 Jan 94

[Text] Fukuoka, Jan. 14 KYODO—Twenty-four men found hiding on a cargo ship that docked in Kyushu on Thursday night [13 January] are being questioned on suspicion of trying to enter Japan illegally, maritime safety officials said Friday.

They said the men, all Thais, were hiding on the 8,854-ton Thai-registered cargo ship Jutha-Pariyanat, which docked

at Miike Port in Omuta, Fukuoka Prefecture, at 8 P.M. Thursday. None of the 24 were crew members, the officials said.

The ship is owned by the same Thai company whose cargo ship the Jutha-Jessica brought 19 Thais illegally to a port in Kumamoto, south of Fukuoka, without proper visas on January 5, they said.

The 19 were arrested at a railroad station in Kumamoto early Thursday morning for not having passports with them, along with two crew members suspected of helping them get ashore.

The officials said they are investigating the 24 found hiding on the Jutha-Pariyanat, which left Bangkok on January 4, on suspicion of trying to enter Japan in violation of the immigration law.

Suspended Sentences for Chinese

OW1301131794 Tokyo KYODO in English 1202 GMT 13 Jan 94

[Text] Wakayama, Jan. 13 KYODO—The Wakayama District Court on Thursday [13 January] sentenced 26 Chinese accused of illegally entering Japan to eight months in prison with the sentences suspended for three years.

The 26 Chinese were the first group to be sentenced among 78 people from China's coastal province of Fujian who were charged with illegally entering Japan.

Presiding Judge Yoshimichi Takigawa handed down suspended sentences, saying there was room for sympathy although they entered Japan for the purpose of working illegally in the country. Prosecutors had demanded prison terms of eight months.

The 78 Chinese were among a group of 104 who arrived in Shirahama, Wakayama Prefecture, on November 22 aboard a Taiwanese-registered fishing vessel.

Prosecutors did not charge the seven crew members and 19 other Chinese were not indicted because they are minors.

The group left China on November 8 after paying about 30,000 renminbi (about 400,000 yen) to Chinese brokers.

Population Symposium To Prepare for UN Forum

OW1201135294 Tokyo KYODO in English 0940 GMT 12 Jan 94

[Text] Tokyo, Jan. 12 KYODO—Nongovernmental organizations (NGOs) will discuss problems resulting from the growing world population at a symposium from Saturday in preparation for a United Nations Conference on Population and Development in Cairo, Egypt, later this year, organizers said Wednesday [12 January].

The symposium, which will be held at Waseda University in Tokyo, is co-organized by the "Peoples' Forum 2001," an NGO umbrella organization, and "Japan's Network for Women and Health," which aims at increasing women's representation at the Cairo conference.

Panelists will include Makoto Ato, head of the Health and Welfare Ministry's Institute of Population Problems, Assistant Prof. Chizuko Ueno of Tokyo University and representatives of the U.N. Population Fund.

The symposium will adopt an appeal urging the Japanese Government to include NGO and women representatives in its delegation for the Cairo conference. The suggestions will be submitted to the government-organized "Tokyo Wise Men's Conference on Population and Development," which will be held on February 26 and 27.

"Population growth in developing countries is a result of environment destruction by developed countries. There the Japanese bear responsibility too," said Shunsuke Iwasaki, assistant professor at Tsukuba University and head of the Peoples' Forum 2001.

"This problem is not that simple that it could be solved by just providing means for birth control. As the Cairo conference is drawing closer, we want to make the first step to give ordinary people a say (in these matters)," Iwasaki said in explaining the objectives of the symposium.

The U.N. holds its international Conference on Population and Development every ten years. This year's conference, from September 5 to 13, will adopt an action program seeking to establish a sustainable balance between the soaring population, scarce resources and an increasingly damaged environment.

The U.N. estimates that the world population will grow by a record 93 million to over 5.7 billion in 1994, with the majority of the growth occurring in developing countries.

EPA Notes Possible Delay in Stimulus Package

OW1401022494 Tokyo KYODO in English 0159 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Japan's chief economic planner Friday [14 January] hinted at a "little" delay in releasing the government's additional economic stimulus package originally expected January 20.

"I can't deny the possibility of a little delay," Manae Kubota, director general of the Economic Planning Agency [EPA] told reporters after the regular morning cabinet meeting.

Her agency is working on the package as instructed by Prime Minister Morihiro Hosokawa for compilation by "mid-January," Kubota said.

But she indicated the chances of delay while citing the need for further discussion among coalition parties and some uncertainties still remaining over political reform, Hosokawa's previously stated "top priority" for his administration.

Kubota said there were no questions or comments over the stimulus measures at the cabinet meeting.

Meanwhile, the Economic Planning Agency chief quoted Bank of Japan Governor Yasushi Mieno as saying that the recent rally in Japanese stock prices stems from "bargain-hunting" against strongly rising overseas stocks.

Mieno was speaking at a meeting of economic ministers held before the cabinet meeting.

On the dollar-yen exchange rates, Mieno stressed the dollar has recovered "half" of its losses against the yen since January last year with the weakening of the yen since December to the range of 110 to 112 yen to the dollar, Kubota said.

She also quoted Mieno as saying that interest rates have fallen to record levels, but bank lending has remained sluggish.

Hosokawa Says Yen Rate, Stock Prices Stable

OW1401013594 Tokyo KYODO in English 0122 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Prime Minister Morihiro Hosokawa said Friday morning [14 January] that recent movements in the yen's rate and share prices have been stable, though he said the economic situation is still severe.

Hosokawa made the comment in response to reporters' questions on market developments in connection with the government's monthly economic report, released earlier in the day.

The report said the nation's economy remains at the worst stage of the recession.

The dollar opened the day at 111.80 yen in Tokyo, down 0.50 yen from Thursday's close, and the 225-Nikkei stock average, a key barometer on the Tokyo Stock Exchange, fell 90.91 points to 18,486.35 in early trading.

EPA Official Calls Economic Situation 'Severe'

OW1401000994 Tokyo KYODO in English 2355 GMT 13 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Japan's economy continues to wade through its worst stage of recession, the evidence of which can be seen in many areas, the Economic Planning Agency (EPA) said in a monthly report Friday [14 January].

An agency official briefing reporters on the monthly report on the state of Japanese economy said the situation is severe and the recession is lagging on.

In the report, the EPA simply stated that the state of the economy is "overall sluggish."

Asked if the agency is using its gloomiest words possible to describe the situation, the official answered "yes."

The EPA pointed out that consumer spending remained lackluster, while the weakness of plant and equipment investment is spreading from manufacturers to the non-manufacturing sector.

The report noted the plodding process of inventory adjustments and said industrial output remains stagnant.

The official said business conditions of private enterprises are worsening. He said he can no longer attribute the situation merely to the yen's appreciation, admitting the overall situation is simply "bad."

Job offers continued to decline, while the unemployment rate continues to increase, the report said.

The EPA said the government is hence currently working to compile another comprehensive pump-priming package to spur the economy, in addition to steady implementation of past stimulation programs.

Exports are down with effects of the yen's appreciation gradually appearing and because of an adjustment of the economic growth in China after a heated period, the official said.

Meanwhile, implementation of public works spending improved and housing starts were also solid.

Finance Minister Says Draft Budget Not Yet Set

OW1401023094 Tokyo KYODO in English 0157 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—Finance Minister Hirohisa Fujii on Friday [14 January] denied reports that the Finance Ministry will compile a draft budget for fiscal 1994 on February 5.

Speaking at a regularly scheduled news conference, Fujii said he has not heard about a specific schedule for next year's national budget.

Major newspapers reported the ruling coalition parties, at Thursday's meeting of their leaders in charge of policy affairs, decided to announce a tax reform plan for next year on February 3 and the Finance Ministry's draft budget two days later.

The ministry wants to begin compiling the next year's budget "as soon as possible" while closely watching developments in Diet debate over political reform bills, Fujii said.

Fujii denied the United States has proposed holding a ministerial meeting as a way to break through stalled "framework" trade talks with Japan.

The comment came after U.S. Trade Representative Mickey Kantor on Wednesday recommended holding such a meeting between the two countries before U.S. President Bill Clinton and Japanese Prime Minister Morihiro Hosokawa meet in Washington on February 11.

Rengo's Yamagishi Discusses Politics, Economy

OW1401061494

[Editorial Report] Tokyo Asahi Television Network in Japanese at 0148 GMT on 9 January, in its 105-minute "Sunday Project" talk show which begins at 0100 GMT, carries a 26-minute live interview with Akira Yamagishi, chairman of Rengo (Japanese Trade Union Confederation). He answers questions from economic commentator Soichiro Tawara at the Asahi Television studio in Tokyo.

Yamagishi is first asked how he rates the performance so far of the coalition government.

He says: "I would give it 70 percent." To get higher marks, he adds, the need for the government to discontinue bureaucrat-led politics.

He says: "At this juncture, the ruling coalition has no choice but to implement large-scale income tax cuts. But they should not carry out both the cuts and a consumption tax hike at the same time as one package, as the Ministry of Finance (MOF) proposes."

He believes, like the leaders of the ruling coalition parties, that Prime Minister Morihiro Hosokawa also hopes to separate the income tax cuts from the consumption tax rise and implement large-scale income tax cuts.

He notes, however: "Bureaucrats in the MOF are preventing the government from doing so."

He thinks differences within the ruling coalition on tax reform are also hampering Hosokawa's attempts to make a decision.

Tawara points out that disunity among members of the Social Democratic Party of Japan (SDPJ) is an obstacle to the formation of a consensus on political reform within the ruling coalition and asks Yamagishi how the party should act.

He refers to speculation the SDPJ might split or leave the ruling coalition following its party convention on 11 and 12 January.

Yamagishi says: "I do not think this will happen. I do not think the SDPJ would do anything so ridiculous."

Asked what he thinks of moves to form new groups within the SDPJ, Yamagishi says: "I think that would be acceptable. The party will not be able to cope with the second phase of political realignment if it sticks to its current organization."

Yamagishi then begins to discuss his idea of a two-party system composed of a conservative party and an non-conservative party and notes the need for the SDPJ to lead the non-conservative forces.

Tawara asks Yamagishi what he discussed with Hokkaido Governor Yokomichi when he met him on 20 December. Yokomichi is considered likely to play a pivotal role in strengthening the unity of the SDPJ in the future.

Yamagishi says: "We shared the same views on the idea of realizing a two-party system composed of a conservative party and an non-conservative force, not a two-party system composed of two conservative parties. We agreed that the SDPJ, as a non-conservative party, should join with centrist, liberal, and other forces to form a large political party."

Asked whether Yokomichi intended to enter the national political arena, Yamagishi says: "I feel he will be ready to return to the national political scene once his tenure as governor expires in April 1995. This was only an impression, though, because he did not say so."

During discussions on Rengo's hopes for the non-conservative force Yamagishi is asked about tax reform.

Yamagishi says: "I strongly oppose the idea of implementing income tax cuts and a consumption tax hike as one package, but I do not oppose raising the consumption tax. It is just that I do not see it as necessary to have a timetable for its implementation.

Turning to the issue of economic recovery, Tawara asks Yamagishi what he thinks the government should do to stimulate the economy.

Yamagishi says: "I think the government has no alternative but to implement large-scale tax cuts worth about 10 trillion yen separately from raising consumption tax."

Yamagishi is then asked to comment on Nikkeiren (Japan Federation of Employers' Associations) Chairman Nagano's remarks that his group would this year try to secure employment by not pushing for wage rises.

Yamagishi approves of the idea of securing employment, but notes the need for Nikkeiren to try to increase wages as well as secure employment.

The interview ends at 0214 GMT.

Coalition Seeks Reform Bill Vote for 19 Jan

OW1401133394 Tokyo KYODO in English 1322 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—The ruling coalition is poised to decide next Monday [17 January] to call a January 19 vote on the government's political reform bills in the House of Councillors' special committee on political reform, coalition sources said.

Ruling and opposition parties of the upper house committee failed Friday to agree on a timetable for voting on the government's political reform package, which cleared the House of Representatives last November.

Senior members of the upper house committee from both ruling coalition and opposition parties will meet again Monday to discuss the schedule after a public hearing on the political reform process is held that day in Tokyo, officials said.

Ruling parties threatened Friday to table a motion calling for a committee vote on the political reform bills on January 19, as the January 29 scheduled close of the current extraordinary Diet session is drawing near.

Prime Minister Morihiro Hosokawa, who failed to legislate political reform bills by the end of last year as he pledged last August, has vowed to enact them during the parliamentary extension, staking his position on the renewed pledge.

The ruling coalition postponed the closure of the 90-day Diet session for 45 days beyond December 15 in order to achieve Hosokawa's target.

In Friday's steering committee wrangling, the coalition for the time being retracted the threat of forcing a vote when agreement was reached to hold public hearings in five cities outside Tokyo on Tuesday, in addition to Monday's hearing in the capital.

Public hearings are a prerequisite to putting the bills to a floor vote in an upper house plenary session. In the hearings, knowledgeable persons recommended by the ruling and opposition parties, respectively, express their views on the bills.

After Monday's public hearing in Tokyo, the coalition will urge the opposition camp to agree to conclude deliberations on the bills on Wednesday.

If the opposition refuses to accept the proposal, committee chief Yubun Ueno will decide on the schedule, exercising his prerogative as chairman, coalition sources said.

In such a case, the opposition is expected to table a noconfidence motion against Ueno.

The government's political reform bills are designed to replace the current multi-seat constituencies for the more powerful lower house with a combination of single-seat districts and proportional representation, as well as to tighten curbs on political fund-raising activities in a bid to stem repeated corruption.

The existing electoral system is believed to be a major cause of lavish campaign spending because of competition among candidates of the same party in single districts, while the current Political Funds Control Law is seen as having loopholes that make it possible for politicians to escape punishment for wrongdoing.

In the 252-seat upper house, the ruling coalition has 131 seats, while the Liberal Democratic Party holds 99, the Japanese Communist Party (JCP) 11, the Niin Club five, and independents five.

Several upper house members of the Social Democratic Party [of Japan] (SDP) [SDPJ], the largest bloc in the alliance, have expressed opposition to the bills and could vote against them or abstain, greatly weakening the coalition's chances of passing the bills in the upper house.

NEC Boosts Magneto-Optical Disk Capacity

OW1301140194 Tokyo KYODO in English 1022 GMT 13 Jan 94

[Text] Tokyo, Jan. 13 KYODO—NEC Corp. said Thursday [13 January] it has developed a technique to enhance the memory capacity of a magneto-optical disc by eight times as much as the current method.

The technique makes it possible to store data equivalent to some 80,000 Japanese newspaper pages or two hours of VHS-format video movie pictures on a magneto-optical disc which measures 13 centimeters in diameter, the same size as a music disc, the company said.

A magneto-optical disc is based on a recording method that combines laser and magnetic technologies to create high-density erasable storage discs. Its surface is made of a magnetic recording material that records magnetic spots or bits using a laser to pinpoint them.

NEC's new technique combines a signal-processing technology called the partial response maximum likelihood (prml) method with a red-color data-reading laser.

NEC said it plans to develop products using the technique for commercial use as it can be applied to a range of multimedia equipment.

Source: Toyota Boss To Become Next Keidanren Head

OW1401023494 Tokyo KYODO in English 0204 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—The Federation of Economic Organizations (Keidanren) will name Shoichiro Toyoda, chairman of Toyota Motor Corp., as its next chairman, federation sources said Friday [14 January].

Current chairman Gaishi Hiraiwa, 79, who completed his third year in the post last month, has expressed a strong wish to step down, the sources said.

The change of leadership will be proposed at a top officials' meeting of the federation on February 7, and will be formally approved at its regular general meeting on May 27, they said.

Toyoda, 68, was selected to be the eighth chairman of the most powerful lobby of Japanese business leaders because he is the head of the nation's top automaker and is well known internationally.

Also, Hiraiwa felt that Toyoda, who is 11 years his junior, would be able to rejuvenate the organization and eventually the entire business community of Japan, the sources said.

Toyoda, a member of the founder family of Toyota Motor, joined the automaker in 1952. He assumed the company's presidency in 1982 and became chairman in 1992. He has served as Keidanren's vice chairman since 1990.

Hiraiwa originally expected Sony Corp. Chairman Akio Morita, who was a vice chairman of the federation, to be his successor, according to the officials.

Morita, 72, announced his retirement from all business activities in early December, however, after suffering a stroke.

Panel Urges Employment Help for Older Workers

OW1401093594 Tokyo KYODO in English 0842 GMT 14 Jan 94

[Text] Tokyo, Jan. 14 KYODO—A Labor Ministry advisory panel urged the government Friday [14 January] to ease restrictions on private agencies that supply temporary labor so as to provide wider job opportunities for workers aged 60 years or over, ministry officials said.

The officials said the appeal was contained in a report submitted to Labor Minister Chikara Sakaguchi by the Central Employment Security Council.

The report called for widening the scope of job categories from the current 16, including secretaries and interpreters, that such agencies are allowed to handle.

The report also called on the government to provide subsidies to corporations which improve working conditions for senior workers.

The recommendations include a call for the establishment of a center to help workers over 60 find jobs, the officials said.

They said the ministry plans to submit to the next ordinary session of the Diet a bill to revise a job security law to incorporate the proposed measures and make it mandatory for corporations to set the retirement age at 60 in principle.

North Korea

KCNA Reports Appointment of New Forestry Minister

SK1401044294 Pyongyang KCNA in English 0433 GMT 14 Jan 94

[Text] Pyongyang, January 14 (KCNA)—The great leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea, promulgated a decree of the Central People's Committee dated January 12 on the dismissal and appointment of the minister of forestry of the Administration Council.

According to the decree, Kim Chae-yul was relieved of his post and Yi Chun-sok was appointed to it.

'Anti-U.S. Demonstrations' in Moscow Reported

SK1401092194 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 13 Jan 94

[Text] Anti-U.S. demonstrations were held in Moscow on 12 January, the day U.S. President Clinton started his three-day visit to Russia.

Masses from all walks of life taking part in the demonstration carried red flags and slogans reading, "Deputies, do not yield to U.S. pressure!" "Bourgeois dictatorship will never get through!" and "We object to Clinton's visit!"

Demonstrators who gathered in front of a building of the State Duma of the Russian Federation Federal Assembly held up their fists and shouted slogans such as "Yankee, go home!" and "Punish murderers!" and marched toward the U.S. Embassy in Moscow.

After holding an anti-U.S. protest rally in front of the U.S. Embassy in Moscow, they headed to an office building of the Federation Council of the Russian Federation Federal Assembly, shouting slogans.

KCNA Reports Foreign Media Oppose Sanctions

SK1201112894 Pyongyang KCNA in English 1043 GMT 12 Jan 94

[Text] Pyongyang, January 12 (KCNA)—Many foreign mass media say that pressure and "sanctions" can never be a solution to the nuclear issue on the Korean peninsula.

The Vietnamese Paper NHAN DAN said although the United States threatens "economic sanctions" against the Democratic People's Republic of Korea, none of the Asian countries want in actuality to see "sanctions" taken against this country as demanded by the United States.

The Nepalese Paper NEPAL NEWS noted that South Korea takes an anti-national, bellicose confrontation attitude, entreating the United States to set up an "international cooperation system" against North Korea. As a matter of fact, South Korea has no justification or qualification to meddle in the nuclear issue on the Korean peninsula, added the paper.

The Zairean Paper UMOJA said: The United States does not know of its dialogue partner. The Korean people and People's Army are not those who would yield to anyone's pressure. They are fully prepared for any event. The United States can get nothing from "sanctions" and pressure.

The Jordanian Paper AL SHAAB in a commentary said that North Korea, which has a staunch and self-sacrificing spirit to defend the sovereignty and other legitimate rights with a means of self- defence, can turn into a volcano destroying the "new world order" of the U.S.

The Tanzanian Paper WATU said:

The DPRK has turned into a powerful socialist state, independent, self-sustaining and self-reliant in national defence. So no "international sanctions" can work on this country.

The Swedish Magazine RIKTPUNKT said the nuclear issue on the Korean peninsula can be settled only through DPRK-U.S. talks because the issue arose when the United States deployed nuclear weapons in South Korea and began threatening the DPRK with them.

Daily Denounces Kim Yong-sam's Remarks on Labor

SK1401045694 Pyongyang KCNA in English 0439 GMT 14 Jan 94

["'Civilian' Fascist's Scheme To Suppress Labor Movement"—KCNA headline]

[Text] Pyongyang, January 14 (KCNA)—Kim Yong-sam the traitor told a new year's meeting of the "Economic Planning Board" on January 11 that precedence should be given to the "settlement of industrial peace" and "stabilization of payment" to "increase competitiveness" and that ministries and agencies concerned should promote "active cooperation and measures" to this end.

Commenting on this, NODONG SINMUN today says:

It has become all the clearer that the "civilian" fascist, the "civilian" dictator who has pursued an anti- popular labour policy defending the privileged circles intends to totally stifle the labour movement this year by brandishing the fascist bayonet more desperately.

The analyst further says:

As for "industrial peace" cried for by Kim Yong-sam, it was invented by the traitor No Tae-u, the military fascist

dictator of the "Sixth Republic," in a bid to stifle the labour movement by shifting the responsibility for the economic crisis of South Korea onto the workers.

With this anti-popular slogan, the Kim Yong-sam group attempts to categorically turn down the vital demands of the workers and obliterate the labour movement itself, fooling people into believing that the economic catastrophe is attributable to the "labour- management dispute" and wage hike, as the preceding dictators did. Stripped bare is the fascist, anti-popular nature of Kim Yong-sam who is trying to suppress and stifle the struggle of the workers by adding new methods to all the fascist laws and means of suppression employed by the successive military dictatorial regimes.

That day, Kim Yong-sam cried for "measures to control prices," saying the "vicious cycle of price hike must be checked" this year. This is really a shameless sophism.

The traitors would be well advised to act with discretion, well aware of their position.

Commentary Warns Japan Against Acting 'Rashly'

SK1401102094 Pyongyang KCNA in English 1003 GMT 14 Jan 94

["Japanese Reactionaries Warned Not To Act Rashly"—KCNA headline]

[Text] Pyongyang, January 14 (KCNA)—The DPRK Government and people resolutely denounce the ever-more undisguised anti-DPRK, anti-socialist campaign of the Japanese reactionaries.

The Korean people will sharply watch the campaign with high vigilance. We warn the Japanese reactionaries not to act rashly.

This warning is served by today's issue of MINJU CHOSON, the organ of the DPRK Government.

The author of the commentary titled "Don't act rashly" says:

The Japanese reactionaries have defined the DPRK as "potential enemy no.1" and "most dangerous country" and declared that Japan would involve itself in an emergency on the Korean peninsula, should it arise. This is an open revelation of their hostile policy.

They raised again the "nuclear issue" and "missile threat" from the beginning of the year in an attempt to justify their military power buildup and nuclear armament on that pretext and realise their ambition for overseas aggrandizement.

The DPRK and the United States have recently agreed to solve the problems for a fundamental solution of the nuclear issue on the Korean peninsula in a package deal at the third round of talks. So Japan is not requested to obtrusively make a fuss over the "nuclear issue" of the DPRK.

Japan must not take issue with the peaceloving DPRK but make a sincere apology and compensation to the Korean people for its past crimes and refrain from further acts obstructive to peace and peaceful reunification of Korea.

Head of Association of Koreans in Japan on Unification

SK1401105794 Pyongyang KCNA in English 1025 GMT 14 Jan 94

[Text] Tokyo, January 12 (KNS-KCNA)—Chairman of the Association of Koreans in Japan for Peaceful Reunification Kim Chong-su published a statement on January 11 supporting the policy of national reunification reclarified by the great leader President Kim Il-song in his New Year address.

"The policy of achieving the country's reunification through confederacy on the three principles of independence, peaceful reunification and great national unity, clarified once again by the great leader in his New Year address, fully conforms to the will and interests of the whole nation and serves as a highly important guideline in accomplishing the cause of national reunification by the efforts of the nation itself," he said.

"The 10-point programme of the great unity of the whole nation is a great charter for national reunification reflecting the ardent desire of all the fellow countrymen to achieve unity and national reunification transcending differences in ideology, ideal and system," he said, and stressed:

"The Kim Yong-sam 'regime' must refrain from obstructing a fair solution of the nuclear issue on the Korean peninsula through DPRK- USA talks and take the road of national reconciliation and unity in response to the 10-point programme.

"The Association of Koreans in Japan for Peaceful Reunification will wage a more vigorous struggle to make 1994 a historic year in which a new phase of national reunification shall be opened for founding a pan-national unified state of confederacy form in the 90s," he said.

Societies for Kim Chong-il's Works Formed in Japan

SK1401104694 Pyongyang KCNA in English 1017 GMT 14 Jan 94

[Text] Tokyo, January 12 (KNS-KCNA) [dateline as received]—Societies for the Study of Kim Chong-il's Works named "Sprouts," "Mountain Azalea" and "Seed" were recently organised in Tokyo and Osaka.

At the inaugural meetings, reports and speeches were made and advisers, chairmen and executives of the societies elected.

Letters to the dear leader Comrade Kim Chong-il were adopted at the meetings.

Kim Chong-il's Contribution to Chuche Highlighted

SK1401104194 Pyongyang KCNA in English 1010 GMT 14 Jan 94

["Work That Made Undying Contribution To Development of Chuche-based Theory of Party Building"—KCNA headline]

[Text] Pyongyang, January 14 (KCNA)—NODONG SINMUN in a by- lined article today says that "Let Us Bring About Revolutionary Turn in Party Work To Meet the Requirement of the Present Situation", a classical work published by the dear leader Comrade Kim Chong-il on January 14, 1983, is a famous work which has made an undying contribution to a fundamental turnabout in the party work conforming to the requirements of the obtaining situation and the advancing revolution and development of the chuche-based theory of party building.

The most important idea propounded in the work is to continue to deepen the work of establishing the monolithic ideological system of the party and make the unity and cohesion of the party and the revolutionary ranks more unbreakable.

In the work, the dear leader expounded that to establish the monolithic ideological system of the party is a fundamental principle of building a working-class party and a permanent work which all the party organisations should always regard as its cardinal task. And he laid down questions of principle arising in further deepening the work of establishing the monolithic ideological system of the party.

He also indicated tasks and ways of closely rallying all the party members, cadres and working people around the party and the leader by intensifying the work with the people and stressed the need to strengthen party leadership over socialist economic construction.

The work emphatically urges all the officials to learn from the great leader's work method, which requires them to go down to the lower units constantly and share sweets and bitters with the masses, and thoroughly apply it to practice.

Recalling that the validity and vitality of the idea, theory and policies laid down in the work have been fully proved in the revolutionary practice in the past, the author of the article says:

The work of establishing the monolithic ideological system of the party has been further deepened, the fighting capacity and leading role of the party have increased remarkably and the singlehearted unity of the revolutionary ranks with the illustrious leader at the centre has been consolidated further still in keeping with the requirements of the developing revolution in which the modelling of the whole society on the chuche idea has developed to a new, higher stage.

Songs Praising Kim Chong-il Disseminated

SK1401052094 Pyongyang KCNA in English 0412 GMT 14 Jan 94

[Text] Pyongyang, January 13 (KCNA)—Songs of unquestioned trust in and loyalty to the dear leader Comrade Kim Chong-il have been created and widely disseminated in the Democratic People's Republic of Korea.

Nearly 400 songs including "Kim Chong-il, He Is Our Destiny" and "Comrade Kim Chong-il Is Our Supreme Commander" are edited in collections of songs recently issued by the literature and art press group.

"We Will Win Because You Are Leading Us," a poem dedicated by Yi In-mo, the incarnation of faith and will, to dear Comrade Kim Chong- il last year, was composed as a song.

In the poem Yi In-mo emphasizes the unshakable ideological conviction that as long as there is the leadership of dear Comrade Kim Chong-il the revolutionary cause of chuche, the cause of socialism, shall not perish.

Today the Korean people are filled with revolutionary optimism and conviction that as long as they are under his wise leadership, they are sure to win victory, no matter what ordeals and difficulties may crop up in their way.

A song "Single Heart" sings of the indomitable spirit and determination of the Korean people to carry their revolutionary cause through to accomplishment, united around the illustrious leader in one mind and will.

"Comrade Kim Chong-il Is Our Supreme Commander," "Let Us Uphold Our Supreme Commander With Arms" and other songs tell about the national pride and honor of holding in high esteem Comrade Kim Chong-il, an outstanding military strategist and ever-victorious iron-willed brilliant commander, as chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, and about the unshakable faith and will of the People's Army and people to resolutely defend him with arms.

Many songs including "We Will Hold Comrade Kim Chong-il in High Esteem Forever," "Kim Chong-il, He Is Our Destiny," and "Long Live Comrade Kim Chong-il, Great Brilliant Commander" reflect the unanimous mind and will of the Korean people to follow with loyalty and filial piety the illustrious leader who takes care of and protects the destiny of the nation and its future and hope.

Report Praising Kim Chong-il Cited

SK1401105294 Pyongyang KCNA in English 1021 GMT 14 Jan 94

[Text] Pyongyang, January 14 (KCNA)—South Korean people express reverence for the dear leader Comrade Kim Chong-il, Seoul- based radio Voice of National Salvation [VNS] said.

Choe Kyong-su, a company clerk in Seoul, said when talking with his colleagues about the situation:

"General Kim Chong-il was born in Mt. Paektu and cultivated his mind from his childhood. He is an outstanding military strategist and brilliant commander with such a matchless grit and iron will that once he issues an order, any formidable enemy kneels down, [word indistinct] the people and Army of the North have become a most dignified people and an invincible Army in the world because they are guided by the brilliant commander of the century.

"No A-bomb and no force can subdue the Army and people of the North who have the brilliant commander, General Kim Chong-il, and are united around him in mind and purpose.

"There is nobody but General Kim Chong-il who can command our national Army and take charge of the destiny of the 70 million Koreans. Only when we trust and follow him can the country be reunified and the nation prosper forever."

Kim Il-song Greeted by Foreign Party Leaders

SK1401052294 Pyongyang KCNA in English 0417 GMT 14 Jan 94

[Text] Pyongyang, January 14 (KCNA)—The great leader President Kim Il-song received messages of greetings from party leaders of different countries on the occasion of the new year 1994.

The messages were sent by general secretary of the Congolese Socialist Party Leon Nzokene, chairman of the Nepal Workers and Peasants Party Narayan Man Bijukchhe, general secretary of the C.C. [Central Committee], Workers' Party of Bangladesh Rashed Khan Menon, general secretary of the People's Unity Party of Tunisia Mohamed Bel Hadj Amor, general secretary of the People's Unity Party (Unionist) of Jordan Talal Hafun Ala Mai, general secretary of the Congolese Communist Party Kamba Raymond, chairman of the Congolese Movement for the Construction of New Society Antonie Malonga, chairman of the African Socialist Movement of the Congo Gerard Francois Yandza, convenor of the C.C., Socialist Party of Bangladesh Khalequzzaman Bhuiyan, president of the Bangladesh People's League Garib Newaz and secretary general of the C.C., Algerian National Liberation Front Abdel Hamid Mehri.

The messages expressed the conviction that the Korean people would make great success in the struggle for the socialist construction and the country's reunification under the wise leadership of President Kim Il-song.

They wished President Kim Il-song a long life in good health.

New Year greetings to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il were sent by President Radames Larazabal and General Secretary Manuel Urbina of the Patriotic Federation of Venezuela and chairman of the Political Council of the Socialist Party of Ukraine Aleksandr Aleksandrovich Moroz.

Kim Il-song Receives New Year Telegrams From Abroad

SK1301050394 Pyongyang KCNA in English 0449 GMT 13 Jan 94

[Text] Pyongyang, January 13 (KCNA)—The great leader President Kim Il-song received telegrams from foreign party leaders on the new year.

The telegrams came from National Coordinator Oscar Ugarte Ubilluz of the Left Democratic Movement of Peru, General Secretary Luis Mateo Munos of the Socialist Party of Peru, Chairman Victor Sanchez Bilagra and General Secretary Ricardo Esli Garribia of the February Revolutionary Party of Paraguay, General Secretary Adelso Gonzalez Urdaneta of the People's Electoral Movement of Venezuela, President Angel Castro Lavarello of the National Executive Committee of the Left Revolutionary Union of Peru, Secretary General Ali Houdou of the Party of Revolution of Benin, National Chairman Emile Kibala Bey A Nsien of the Workers' Party of Zaire, National Chairman Otete Gaston Mboyo of the National Movement of the Genuine Lumumbist Combatants of Zaire, National Chairman Lambert Mende Omalanga of the Lumumba Congolese National Movement-Original of Zaire, Secretary General Mohamedoun Dicko of the Executive Committee of the African Party for the Solidarity and Justice of Mali, Chairman Vladimir Dado of the Slovak Communist Party, General Secretary Youssef Amin Wali of the Egyptian National Democratic Party, Chairman Klaus Riis of the Central Committee of the Communist Party of Denmark (Marxist- Leninist), Secretary General Amadou El Bechir Gologo of the National Direction Committee of the Sudanese Union-African Democratic Rally in Mali, and President Andriantiana Rakutuvau and General Secretary Gisele Rabesahala of the Party of the Congress for the Independence of Madagascar.

They extend warmest greetings to President Kim Il-song on the new year and wished him a long life in good health.

They wish the Korean people success in the building of socialism and the efforts for national reunification under the wise leadership of President Kim Il-song.

Peruvian Figures Hail Kim Il-song's New Year Address

SK1401110094 Pyongyang KCNA in English 1030 GMT 14 Jan 94

[Text] Pyongyang, January 14 (KCNA)—Political party leaders of Peru voiced full support and solidarity for the New Year address of the great leader President Kim Il-song, when they met the Korean ambassador to Peru on January 6.

General Secretary of the Revolutionary Socialist Party of Peru Guzman Rivera Castaneda said the great leader Comrade Kim Il-song in his New Year address analysed the last year's situation on a scientific basis and clearly indicated the way ahead of the Korean people this year. He said his party fully hailed his New Year address.

Under the wise guidance of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il the Workers' Party and the people of Korea resolutely smashed all sorts of the imperialists' manoeuvrings and made brilliant success in the socialist construction last year, inspiring the progressive people of the world struggling for socialism with confidence in victory of socialism, he said.

He wished the Workers' Party and the people of Korea greater success in the new year in their endeavours for the socialist construction and national reunification in hearty response to the New Year address.

Genaro Ledesma Izquieta, chairman of the People's Front of Workers, Peasants and Students, said:

The world is now vigorously advancing along the road of the chuche idea, the road of Korean-style socialism.

The reality of socialist Korea, embodiment of the chuche idea, is, indeed, the ideal and hope of mankind.

We will always stand by the Workers' Party of Korea in the struggle for socialism.

Kim Il-song's Speech, Economic Strategy Lauded

SK1401050994 Pyongyang KCNA in English 0420 GMT 14 Jan 94

[Text] Pyongyang, January 14 (KCNA)—"The Workers' Party of Zaire highly estimates the revolutionary economic strategy laid down by His Excellency President Kim Il-song as an epoch-making revolutionary step to increase the might and attraction of man- centred socialism", said Emile Kibala Bey a Nsien, national chairman of the Workers' Party of Zaire, when he met the DPRK ambassador to his country on January 8.

The Zairean party leader wished the Korean people new success in the efforts to build socialism and reunify the country under the energetic leadership of dear Comrade Kim Chong-il.

Narayan Man Bijukchhe, chairman of the Nepal Workers and Peasants Party, told the DPRK ambassador to his country on January 4 that the New Year address of the great leader Comrade Kim Il-song indicates the road ahead of the world people and serves as a moral weapon for his party.

He expressed full support to the position toward the nuclear issue on the Korean peninsula which was clarified by the great leader.

Swiss Committee Publishes 'Korea Is One' Bulletin

SK1301103594 Pyongyang KCNA in English 1013 GMT 13 Jan 94

[Text] Pyongyang, January 13 (KCNA)—The Swiss committee for supporting Korea's reunification published Korea-bulletin "Korea Is One".

The bulletin carries a photograph of the great leader President Kim Il-song receiving bereaved families of anti-Japanese revolutionary martyrs and introduces his reminiscences "With the Century".

In an article titled "For Nuclear-Free Korea", the bulletin notes that the purpose sought by the United States in its clamour about "nuclear inspection" is to detract the world's attention from its nuclear weapons in South Korea.

Saying that there is no ground for the DPRK to allow inspection of even the military base which has no nuclear facilities, it stresses that all the anti-imperialist peace-loving forces must extend support to the Korean people who are striving to realise the denuclearization of the Korean peninsula, get the U.S. forces withdrawn from South Korea and achieve the independent and peaceful Reunification of the country.

WPK Delegation Leaves for Italy, France

SK1301103894 Pyongyang KCNA in English 1020 GMT 13 Jan 94

[Text] Pyongyang, January 13 (KCNA)—A delegation of the Workers' Party of Korea [WPK] led by Pak Kyong-son, vice-director of a department of the C.C. [Central Committee], WPK, left here today to participate in the national congress of the Italian Party for Communist Refoundation and the 28th congress of the French Communist Party.

It was seen off at the airport by Chi Chae-yong, vice-director of a department of the C.C., WPK.

Kim Il-song Thanks Scientists, Technicians

SK1301112294 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 13 Jan 94

[Text] The great leader of our party and our people Comrade Kim Il-song has sent his thanks to the scientists and technicians of the Hamhung branch of the Academy of Sciences. Upholding the party's science and technology policy, and actively contributing to achieving chuche-type, modern, and scientific people's economy, the scientists and technicians here recently succeeded in solving important scientific and technological problems arising in the development of the country's transportation.

Long ago, the great leader, who had a scientific insight into the world's trend in the development of power supply and the country's energy prospects, had set forth the direction and method to solve the scientific and technological problems arising in the development of transportation in conformity with our country's situation and entrusted the task of their implementation to the scientists and technicians of the Hamhung branch of the Academy of Sciences.

Since then, the great leader inquired about the status of their research work on a number of occasions and solved all the problems arising in the work.

The dear leader Comrade Kim Chong-il formed the 17 February Scientists Shock Brigade with a group of highly qualified scientists, and led them to intensify creative cooperation with workers.

Under the wise leadership of the party and the leader and highly demonstrating the revolutionary spirit of self-reliance, fortitude, creativity, and innovativeness, the research group contributed to the development of the country's transportation by successfully carrying out the research task they were entrusted with in a short period of time.

The working class of Yongsong Machinery Combined General Bureau and Hungnam Fertilizer Complex actively helped in the research group's work.

The great leader highly appraised the achievement of our scientists and technicians and sent them his thanks. A meeting to convey the thanks sent by the great leader Comrade Kim Il-song was held on the spot.

The functionaries concerned, including Hyon Chol-kyu, responsible secretary of the South Hamgyong provincial party committee and chairman of the South Hamgyong people's committee, the scientists, technicians, and employees of the Hamhung branch participated in the meeting.

The thanks sent by the great leader Comrade Kim Il-song was conveyed amid the participants' enthusiastic applause. Discussions took place and a resolution was adopted at the meeting.

Trade Union Federation Central Committee Meets

SK1401043894 Pyongyang KCNA in English 0424 GMT 14 Jan 94

[Text] Pyongyang, January 14 (KCNA)—The 27th plenary meeting of the Central Committee of the General Federation of Trade Unions of Korea held in Pyongyang on January 12 and 13 discussed tasks for the trade union organizations to carry out the tasks set by the great leader President Kim Il-song in his new year address and implement to the letter the resolution of the 21st plenary meeting of the sixth Central Committee of the Workers' Party of Korea and the teachings given recently by the dear leader Comrade Kim Chong- il.

The meeting stressed the need for the trade union organizations to energetically organize the working class and other union members for the implementation of the party's revolutionary economic strategy of following the agriculture-first, light industry-first and trade-first policy.

Noting that Comrade Kim Chong-il recently said the working people's organizations should push ahead more vigorously with the work of human remoulding and indicated the ways to this end, the meeting emphasized that the trade union officials should conduct ideological education among the unionists well.

Pyongyang Radio on Session

SK1401093894 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 13 Jan 94

[Text] The 27th Plenary Session of the Central Committee of the General Federation of Trade Union of Korea [GFTUK] was held in Pyongyang on 12 and 13 January.

The plenary session was attended by members and candidate members of the GFTUK Central Committee and chairmen of the trade unions of major plants and enterprises in provinces and cities.

The plenary discussed the task elucidated by the great leader Comrade Kim Il-song in this New Year's address, the trade union organizations' task to thoroughly implement the decision of the 21st plenary session of the Sixth party Central Committee, and the trade union organizations' task to thoroughly implement the dear leader Comrade Kim Chong-il's recent remarks.

Chu Song-il, chairman of the GFTUK Central Committee, made a report on the first agenda item. Following this, discussions were held.

The reporter and those who participated in the discussions stressed: In this New Year's address and in the 21st plenary session of the Sixth party Central Committee, the great leader Comrade Kim Il-song summed up the brilliant victory won by our people in socialist construction by firmly uniting around the party as one mind to repel all kinds of imperialists' challenges and, thus, safeguarding and defending socialism of our own style.

They noted the fact that in the Third Seven-Year Plan period the might of our working class' and working people's loyalty to the party and the leader [suryong], that is, the might of the singlehearted unity of the leader, the party, and the masses was more clearly proven and that thanks to the promotion of the work of making the national economy chuche-oriented, modernized, and scientific the economic and material foundations of our own style socialism have been firmly deepened and the vitality of our self- reliant national economy has been demonstrated.

Noting that in this period the GFTUK outstandingly performed the honorable mission and duty as the reliable supporter and defender of the party, the reporter and those who participated in the discussions mentioned the successes registered in the GFTUK's work under the wise leadership of the party. They stressed that today the trade union organizations are faced with the honorable work of contributing to safeguarding and defending socialism of our own style and to further adding luster to it.

The great leader Comrade Kim Il-song has taught: We should consolidate and develop the successes already registered in socialist construction and achieve a new greater victory so that we cannot only add luster to the popular masses-centered socialism of our country, but also fly higher the banner of socialism of chuche.

The reporter and those who participated in the discussions stressed that the trade union organizations at all levels should vigorously struggle to implement the party's strategies of pursuing the agriculture-first, light industry-first, and trade-first policies in socialist economic construction while designating two to three years to come as an readjusting period.

Saying that the ideological revolution should be strengthened among trade union members, the reporter and those

who participated in the discussions presented detailed measures to wage ideological indoctrination work, including indoctrination in the principles of the chuche idea, indoctrination in the greatness of the idea, indoctrination in the revolutionary traditions, and indoctrination in the class character, through various forms and methods and in a substantial manner. They then stressed that all trade union members should deeply master the greatness of the respected and beloved leader's and the leader comrade leader's ideologies and theories, the greatness of their leadership, and greatness of their features and should be loyal to the party and the leader [suryong] under all circumstances.

They also stressed the need for trade union organizations to vigorously organize and mobilize working class and trade union members into the implementation of the party's revolutionary economic strategies. They noted that members of the trade unions at all levels should vigorously wage economic propaganda activities and carry out mass movements, including the socialist emulation movement, in a substantial manner, and, thus, should see to it that trade union members can vigorously advance in the spirit of adding the speed of the battle of Chollima so that all plants and enterprises can overfulfill this year's national economic plans.

The reporter and those who participated in the discussions stressed the need for trade union members to contribute to further strengthening the singlehearted unity of the leader [suryong], the party, and the masses by enhancing the function and role of their organizations and to effect a new upsurge in socialist construction.

A report and discussions were made on the second agenda items at the plenary session.

The reporter and those who participated in the discussions noted that the dear leader Comrade Kim Chong-il has recently elucidated the task that public organizations should further grasp human remolding work and the methods for its implementation. They stressed that functionaries of all trade union organizations should properly carry out ideological indoctrination work among trade union members in conformity with specific circumstances.

Saying that indoctrination to influence people by positive example is a mighty indoctrination method in line with the essence of the socialist society, the reporter and those who participated in the discussions stressed the need to strengthen indoctrination work through the examples set by forerunners in the laudable communist virtues. They also stressed that [words indistinct] should become a work with trade union members, the guidance of the organizational and ideological life of trade union members should be further strengthened, primary organizations of the GFTUK should be firmly built, and the movement to create model primary GFTUK organizations should be strengthened so that the ranks of trade unions can be further strengthened.

The reporter and those who participated in the discussions noted that by cherishing boundless loyalty to the party and the leader [suryong] and more properly carrying out human remolding work in conformity with the demands of the developing realities, all trade union functionaries should inspire revolutionary zeal and creative positiveness among the masses so as to achieve high successes in the implementation of the decision of the 21st plenary session of the Sixth party Central Committee. The session adopted a relevant decision.

Fishing Enters 'New Stage of Development'

SK1401050594 Pyongyang KCNA in English 0406 GMT 14 Jan 94

[Text] Pyongyang, January 13 (KCNA)—The fisheries of Korea has entered a new stage of development.

In the period of the third seven-year plan (1987-1993), the number of the fishing boats including stern strawlers of and above 3,750 ton class increased by more than 1,100 and the modernisation of aquatic products processing facilities was energetically pressed ahead. And a powerful drive was launched to expand sea culture, resulting in a considerable increase of its area. Thus the material and technical foundations of fisheries were consolidated and a prospect was opened for a radical boost of aquatic production.

The fisheries of Korea made a fast development in the '60s, reinforced with mother ships of above 10,000 ton class and many 5,000-ton refrigerator transports, 3,750-ton stern trawlers and other kinds of fishing boats. In the decade, the bases of ship repair and fishing tackle production, fishing ports and aquatic products processing bases were streamlined on an overall scale and bases of sea culture were built to round off the departmental structures of fisheries and increase its independence.

In 1970 the aquatic output increased 236 percent, the total tonnage of fishing boats 409 percent and the output of frozen products 319 percent above 1960.

Large-size, modern and universal-purpose fishing boats were widely introduced in the period of the six-year plan (1971-1976), too, to increase the HP [expansion unkwown] per ship 1.5 times and the number of scientific and technical apparatuses installed in them 2 times. In that period modern plate-shape refrigerating factories were built at major fishing ports to additionally create a daily fast-freezing capacity of 10,000 tons and cold storage capacity of 220,000 tons. The 1.6 million-ton target of aquatic production envisaged in the six-year plan was fulfilled one year and seven months ahead of schedule.

The independence of fisheries was immensely increased in the period of the second seven-year plan (1978-1984).

The aquatic products processing bases were markedly expanded and many large refrigerating factories and storages built at fishing ports and consumer areas such as Pyongyang, Sinpo, Yukdae, Wonsan, Chongjin and Nampo.

The aquatic output augmented 2.2 times during the fulfilment of the plan.

Today the nation's fisheries with complete departmental structures is developing constantly on the basis of the latest science and technology.

South Korea

'Frequency Analysis Devices' Shipped to North From Japan

SK1401005794 Seoul KBS-1 Radio Network in Korean 0003 GMT 14 Jan 94

[By reporter Yu Kyun from Tokyo]

[Text] Japan's YOMIURI SHIMBUN reported in its headline this morning that Japanese-made frequency analysis devices [chupasu punsoggi], which have been strictly controlled by the Coordinating Committee for Exports to Communist Areas as strategic materials, have been illegally flown into North Korea, and that it is possible that North Korea has used them as spare parts for missiles.

The paper reported that the devices, which have been illegally flown into North Korea, are being mainly used for military purposes to increase the accuracy of ballistic missiles, and that it is more possible that North Korea has used them as spare parts for the Nodong No. 1 missile.

The security department of the Japanese Police Office has obtained such information and is secretly investigating the route of the illegal flow into North Korea, the corporations that illegally transported them, and the enterprises which exported them to North Korea.

Ways To Sell Imported Rice to North Considered

SK1401001294 Seoul YONHAP in English 0004 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—The South Korean Government, trying to decide what to do about imported rice, is studying the possibility of selling it to North Korea, which is said to be suffering a food shortage.

South Korea is expected to open its rice market to imports under the Uruguay Round agreement, but as imported rice will have an adverse effect on the nation's farmers, the government has been considering using foreign rice to make rice wine or other products such as rice cookies for export.

Government officials said Friday [14 January] that although South Korea is self-sufficient in rice, it is forced to import 1 percent of the nation's rice consumption, or 50,000 tons, a year from 1995 under the Uruguay Round agreement.

The government has already decided not to sell imported rice on the domestic market.

One senior government official said that the Economic Planning Board, Foreign Ministry and Agriculture-Fisheries Ministry are actively debating problems, including the method of imports and the uses of foreign rice.

Since the Seoul government regards transactions with North Korea as internal trade and the amount of imported rice is small, it believes that there is no problem under international trade regulations, the official said.

South Korea exported 5,000 tons of rice through a private company, Chonji Trading, in July 1991.

Daily Assesses Changes With New Unification Minister

SK1401021394 Seoul THE KOREA HERALD in English 14 Jan 94 p 2

[By staff reporter Yi Myong-hwa]

[Text] The National Unification Board (NUB) has been undergoing subtle but significant changes with the arrival of new Deputy Prime Minister and Unification Minister Yi Yong-tok last December.

Unlike his predecessor Han Wan-sang, who was criticized for being a "sentimental unification proponent," Yi is voicing his negative opinions on North Korea, especially on human rights conditions there.

Yi, 68, seems fully aware of the hardships Han faced during his 10-month-long tenure. Former Unification Minister Han was frequently criticized by conservatives within the government and the National Assembly for his sympathetic posture toward the North and was finally dropped from the new cabinet lineup.

"So far, the new deputy prime minister is doing a fine job, coordinating the views of the NUB, the Foreign Ministry, and the Agency for National Security Planning on inter-Korean issues," an NUB official said.

Opposition lawmakers and some government officials, however, expressed deep concern over Yi's hard-line stance on North Korea, especially concerning his recent remarks on the North Korean human rights situation.

Early this month, Yi told reporters that it's about time North Korea recognized universal values, such as respect for human rights and welfare, raising the possibility that Seoul will take up the matter when inter-Korean dialogue resumes.

"North Korea must also ride the global trend of reconciliation and co-prosperity, and for this we must tell the North Koreans things that may sound harsh to their ears," Yi said firmly in his first message to the public as unification minister.

Noting that the most important human rights problem facing both South and North Korea is the issue of separated family members, he said it is shameful for all Koreans that these people still do not know whether their beloved are alive or not.

"Meetings alone are no longer enough, we must make this relationship move forward to a higher goal," he said. "If they don't agree on our principle, we won't respond unconditionally to their proposal for a meeting."

Since then, Yi has faced sharp criticism from opposition lawmakers and the press, who fear his remarks might over-shadow the ongoing nuclear talks between Washington and Pyongyang, now seemingly near a conclusion.

Rep. Cho Sun-sung of the main opposition Democratic Party, a well-known expert on international affairs, accused Yi of having "acted counter to common sense" by making the remarks, that would be of no help for improving South-North relations at this sensitive time.

Rep. Han Kwang-ok, a member of the party Supreme Council, asserted that Yi's statement put in doubt his desire to achieve national unification.

Yi again echoed the importance of change on the part of North Korea Jan. 11. During his visit at the Office of Five Provinces of North Korea, located in downtown Seoul, he asserted that it is high time for the North to change. "Unification will be realized only after North Korea becomes different," he said.

Yi further said if he met North Koreans in near future, he would describe to them the future unified Korea with respect for personal rights, guarantee of freedom and flow of justice, and ask them to make efforts to achieve making it.

The NUB under Yi's leadership is reportedly studying multi-prong ways to address to the human rights conditions of North Korea step by step in the future.

In initial stage, according to the NUB sources, the government plans to call for improved human rights conditions in the North in cooperation with international human rights organization like the Amnesty International and the International Committee of the Red Cross.

Through these organizations, Seoul would ask Pyongyang to allow, for example, visits by human rights inspectors and to stop torture and all other forms of maltreatment of prisoners.

On this stage, efforts could be made to resolve the dispersed family question on a priority basis without linking it to political questions, the sources said.

But some NUB officials complained the new unification minister puts "too much emphasis" upon the resolution of the dispersed families problem. They feared that the NUB might end up as an agency dealing with personnel and commodities exchanges between the two sides, if Yi continues such policy.

They say that Yi, a native of Kang-so, South Pyongan Province, now in North Korea, who himself was separated from his family during the 1950-53 Korean War, appears too personally involved with the dispersed family issue.

Taking issue with Yi's recent remarks, North Korea strongly warned Jan. 7 that inter-Korean relations will fall into critical condition if Unification Minister Yi repeats such remarks.

North Korea insisted that the South has tried to heat up confrontation between the South and the North by newly raising the issue of human rights in North Korea. It even threatened that the new unification minister of the South will never be allowed to set foot inside the North.

Estimates on Yi's moves may vary but most people seem to agree the human rights situations in North Korea would be a main topic in inter-Korean negotiations in the not too distant future.

Expert: U.S.-North Accord 'Emboldens' Kim Il-song

SK1401024894 Seoul YONHAP in English 0230 GMT 14 Jan 94

[Text] Washington, Jan. 13 (YONHAP)—The Clinton administration's willingness to accept North Korea's offer of a one- time inspection of seven out of nine identified nuclear sites only emboldens North Korean leader Kim Il-song, a conservative think-tank said Thursday [13 January].

The U.S. Government's agreement with North Korea on the nuclear inspection leaves America's Asian allies wondering whether U.S. security assurances are reliable, Seth Cropsey, the director of the Heritage Foundation's Asian Studies Center, said.

The Clinton administration should make no more concessions at the negotiating table, Cropsey said.

Instead, it should inform North Korea that if it does not allow full international inspections of all its nuclear sites on a regular basis by Feb. 1, the United States will ask the U.N. Security Council for economic sanctions the following day, he said.

The Clinton administration has already erred by postponing a diplomatic confrontation in the U.N. Security Council, where the issue of sanctions against the Kim regime should be raised, Cropsey said.

"North Korea now realizes President Bill Clinton suffers from lack of nerve, yielding to the apparent implacability of an armed tyrant demonstrates vulnerability," Cropsey said.

"It can only lead to more North Korean evasion, excuses, delaying tactics and in the end aggression—perhaps nuclear aggression."

Even worse, he said, "By placing two North Korean nuclear sites beyond the reach of international inspectors, the compromise leaves the way open for Kim to continue his weapons-building program."

The compromise also abandons Washington's reasonable expectations that North Korea will allow regular inspections as set forth in the Nuclear Nonproliferation Treaty, he said.

Cropsey, a former high-ranking U.S. Defense Ministry official, recommended that the United States seize the initiative in Asia with a number of bold steps. They include:

—Lift the trade embargo against Vietnam to demonstrate to North Korea that Americans are magnanimous to former foes.

—Increase pressure on Japan to reduce the flow of funds—at least 600 million U.S. dollars a year—from Korean residents in Japan who send desperately needed hard currency to North Korea.

—Promise more favorable terms to China as a means to enlist Beijing's help in putting economic pressure on Pyongyang.

—Hold a naval military exercise in the western Pacific to remind Kim Il-song how quickly America can move military forces over a long distance.

First 21st Century Committee Meeting With U.S. Set

SK1401062894 Seoul YONHAP in English 0617 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—The 21st Century Committee, created by South Korea and the United States, will hold its first meeting next month in Washington, the Foreign Ministry said Friday.

For three days, Feb. 17-19, prominent politicians, economists, scholars and businessmen, including U.S. Secretary of State Warren Christopher, will discuss how to expand cooperation and will present reports and recommendations on improving relations.

Sakong Il, a former finance minister, and Fred Bergsten, a former deputy Treasury secretary, led preparations to form the committee.

Study of Transport Networks Planned With PRC

SK1401012994 Seoul YONHAP in English 0101 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—The Korea Maritime Institute (KMI) said Friday it has accepted a proposal by the Chinese State Planning Commission's Institute of Comprehensive Transportation for a joint study of traffic and transportation in Northeast Asia.

Experts from the two institutes will discuss details of the study of transportation of cargo between South Korea and China and developing transportation networks in inland China in Beijing this month.

Effective transportation by air, sea and land between the two countries, and the development of a better transportation system in China are the aims.

China will hand necessary materials to KMI, which will share the experience that Korea has with economic development since the 1960s.

Seoul has a deep interests in expanding the shipment of cargo to Europe via the trans-China railroad and in building a rail link between Korea and China after unification of the Korean peninsula.

Korean and Chinese experts agree that a satisfactory traffic system does not exist in Northeast Asia, unlike Europe, so a joint study is necessary, KMI researcher Chong Pil-su said, and the joint study on traffic between Korea and China should be expanded to all Northeast Asia.

The Institute of Comprehensive Transportation, built in 1959, is the largest transportation research institute in China and has nearly 100 researchers.

'Sisterhood Relations' Viewed With PRC Province

SK1401104094 Seoul YONHAP in English 0807 GMT 14 Jan 94

[Text] Cheju, South Korea, Jan. 14 (YONHAP)—The island province of Cheju will exchange a memorandum of understanding on a meeting to establish friendly relations with the Chinese province of Hainan, officials said Friday.

A delegation of nine officials and 13 businessmen from the Chinese province arrived in Cheju on Friday afternoon to discuss the establishment of sisterhood relations.

Governor Sin Ku-pum and Vice Governor Wang Sufeng, head of the delegation, discussed ways to form sisterhood relations between the provincial governments on Friday afternoon.

Wang plans to visit the provincial government office on Saturday to meet with Vice Governor Yi Man-ni to sign and exchange the memorandum.

The memorandum says that the two provincial governments agree that maintaining friendly and cooperative relations between the governments and populations and promoting mutual relations based on the principle of equality and reciprocity will be profitable for both governments.

The two sides decided to form sisterhood relations at an early date after recognizing the necessity of such relations.

Korea Telecom, Indonesian Firm Sign Accord

SK1401100794 Seoul YONHAP in English 0747 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—Korea Telecom and Indosat Co., an Indonesian communications firm, have signed an agreement on joint projects, a company spokesman said Friday.

Telecom President Cho Pack-che and Indosat President Tjahjono Soerjodibroto signed the agreement at a Pacific partners' meeting in Hawaii.

They will form a consortium to participate in an international tender to be placed by the Indonesian Government for installing 2 million telephone lines on a build, operate and transfer (BOF) basis.

Under its sixth economic development plan, the Indonesian Government plans to install 5 million lines.

Developing countries prefer BOF, by which foreign firms operate invested facilities for a time and hand them over after gaining a preset profit.

If the consortium succeeds, it will help build Korea Telecom's reputation in the area, the spokesman said.

Telecom has consulted on two projects in Indonesia. One on communication technology at 3.9 million U.S. dollars and the other on building a communications network at 1.3 million dollars.

Prosecutor-General To Set Up International Crime Office

SK1401021194 Seoul THE KOREA HERALD in English 14 Jan 94 p 2

[Text] The Prosecutor-General's Office will set up a new department to deal mainly with international criminal affairs, a spokesman said yesterday.

The prosecution will also appoint a prosecutor at each district prosecution office who will exclusively handle crimes by foreigners, international disputes over intellectual property rights, and criminal affairs related to tariff and foreign currencies, he said.

Meanwhile, the Justice Ministry yesterday said it plans to dispatch prosecution officials to the Korean Embassies at Geneva and the United Nations who will provide legal advice.

Nuclear Power Generating Capacity Used in 1993 Reported

SK1401063694 Seoul YONHAP in English 0624 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—Nuclear power stations produced 58.13 billion kws of electricity last year, or 87.2 percent of their capacity of 66.71 billion kws, the Trade, Industry and Energy Ministry said on Friday.

This is the highest rate so far, comparing with 84.5 percent a year earlier and an average 70.7 percent in world countries in 1992.

Wolsong power station worked at full capacity and Uljin One and Two, Yongkwang One, and Kori Three and Four operated above 80 percent capacity. Kori One reached 78.7 percent and Kori Two, 78 percent.

Exporters Fear 'Setbacks' Due to NAFTA

SK1301133294 Seoul YONHAP in English 1048 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—The half of major South Korean export companies fear they would suffer setbacks in exports to the United States due to the effectuation of the North American Free Trade Agreement (NAFTA).

The Korea Trade Promotion Corp. (KOTRA) reported on Thursday a survey it recently held of 150 leading export firms showed that 75 firms, just half of the companies surveyed, said they fear their exports would be adversely affected by the NAFTA.

Only 19 firms or 12.7 percent of the total said they expect no impact at all. On the other hand, 13 companies (8.7 percent) said they believe NAFTA would have a favorable effect on their exports.

As major factors behind negative effect, 69.6 percent of the firms questioned gave tariff removal among three NAFTA countries, 25.6 percent "country of origin" rules, and 4.8 percent the opening of investment and service.

Of the firms surveyed, 30.1 percent replied they believe the country's exports would decline by 1-5 percent due to NAFTA, 28.2 percent by 5-10 percent, and 19.4 percent by more than 10 percent.

President Gives Directives to Labor, Communications

SK1301060894 Seoul YONHAP in English 0517 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—South Korea needs stable industrial relations if it is to become an advanced country, President Kim Yong-sam said Thursday after he received a report from the Labor Ministry at Chongwadae [presidential office].

Kim told the Labor Ministry to do its best to make this year the first year of labor-management cooperation" and make efforts to keep the peace in industrial relations and encourage low wage demands.

"Pay raises reached 12 percent in stagnation last year. This pace of increase will weaken the competitiveness of industry," Kim said.

The ministry should see to it that unions obey the law when they exercise their rights and encourage district labor administration offices to do their best to prevent industrial disputes, Kim said.

It should also study the welfare of workers, including the expansion of stock-sharing for employees and of housing for workers, he said.

Preventing industrial accidents is important because of respect for human life and stabilization of occupation, he said.

"Enterprisers should have the mind that they are putting their own children to work," the president said.

In a separate briefing session later in the day, Kim instructed the Communications Ministry to make creation of a super high speed information network, the communications system of the future, its top priority project in 1994.

"Carry out the matters of primary concern, including selling stocks of communications businesses and selection of the business that will take the second cellular phone project justly and without any suspicion," he ordered.

He instructed the ministry to internationalize the communications industry and privatise communications companies to introduce competition in the field, most of which is currently state- controlled.

Business Groups Decide on Mainstay Industries

SK1301033594 Seoul YONHAP in English 0253 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—Five of the country's top 10 business groups said Thursday they have decided on their three leading lines, but others still find the decision-making hard.

The Daewoo Group named automaking, heavy industries and service; Hanjin chose transportation, heavy industries and construction; Ssangyong picked automaking, non-metal mineral and energy; Kia opted for automaking, heavy industries and steel; and Hanhwa selected energy, chemical and service.

Among groups ranked from 20 to 30, Keumho, Daelim, Dongah, Hyonsung, Halla, Dongbu, Keukdong, Woosung, and Miwon have announced their two choices.

Other conglomerates, who face a Jan. 18 deadline to name their mainstay industrial fields, are said to be watching the moves of their rivals before making any decisions.

The Hyundai Group is reportedly set on automaking and electronics and is weighing chemical and heavy industries for its third choice. Samsung has picked electronics and heavy industries and is scrutinizing the chemical and service sectors.

Lucky-Goldstar is firm on electronics and chemicals, but is picky over energy and service, while it is easier for Daewoo as it became unnecessary to designate Daewoo electronics a mainstay firm since it was named a blue chip company for stock diversification.

Lotte is expected to choose construction over chemicals as it will be no match for Hyundai or Samsung if they name chemicals.

Sunkyong has decided on energy and chemicals and will choose another from electronics and service, but it is most likely to select the latter sector as its main subsidiary (SKC) can handle electronics and chemicals.

Haitai is set on beverages and food and will select the second field from electronics and service. The choice is said to be hard as it depends much on service, but must grow an electronics arm for the future.

Strike-Ridden Firms To Lose State Support

SK1301034194 Seoul YONHAP in English 0215 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—Companies with a history of bad labor relations will be discriminated against in the doling out of state support as punishment for breaking industrial peace under a policy being drawn up by the Labor Ministry in consultation with other ministries, Labor Minister Nam Chae-hui told President Kim Yong-sam in a briefing on his Ministry's new year operating program Thursday.

Noting that labor relations at three strike-plagued Hyundai Group Companies—Hyundai Motor, Hyundai Precision and Industries and Hyundai Heavy Industries—in 1993 are being examined by the Korea Labor Research Institute, Nam said the government would see to it that they improved their labor relations on the basis of the recommendations to be made by the institute.

Companies in four booming sectors—automobiles, shipbuilding, steel and electronics—will be encouraged to pay special bonuses from their profits in shares, not in cash.

Easing of rules barring employees from selling shares obtained in employee stock ownership plans for five years is being discussed with the Finance Ministry, Nam said.

Under the proposed changes, the ban will be shortened so that employees in the four sectors may sell their shares after a year.

The four sectors will be induced to peg pay hikes at the level set by wage guidelines to be agreed on between the Federation of Korean Trade Unions (FKTU) and the Korea Employers' Federation (KEF) and to invest their profits in research and development and expansion of welfare facilities for employees.

The government will ensure that collective pay bargaining is finished according to the FKTU-KEF guidelines by April or May in all industrial sectors.

Nam recommended that Kim call a government-labor-management meeting to celebrate and promote industrial peace after collective bargaining is completed.

He said his Ministry would study when and how labor-related laws should be amended after pay negotiations are settled in all areas.

Illegal labor disputes, especially involvement of a third party in a labor dispute, will be dealt with strictly by law, Nam said.

Bank Reports Effect of Foreign Fund Inflow

SK1301020694 Seoul YONHAP in English 0128 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—Nearly 9 billion U.S. dollars flowed into South Korea last year, making it hard to control the money supply or stabilize,exchange rates, the Bank of Korea said Thursday.

Net inflow last year was 8.91 billion dollars, up 28.6 percent from 6.92 billion dollars in 1992 and the highest figure so far, the central bank said.

The financial sector drew 1.07 billion dollars, down from 2.65 billion dollars in 1992 because of a decline in bank loans, the private sector attracted 9.88 billion dollars, up from 5.22 billion dollars, and the public sector got 2.04 billion dollars, up from 950 million dollars, by paying loans in advance.

The sharp rise in the private sector was caused by three factors: One: Foreign funds to invest in the stock market rose from 2.06 billion dollars to 5.75 billion dollars, two: Euro bonds floated by Korean companies soared from 1.8 billion dollars to 2.93 billion dollars, three: Deposits for export on deferred payment term jumped from 1.75 billion

dollars to 1.81 billion dollars because of a drop in global interest rates and a rush of shipbuilding orders.

The Korea Development Institute has predicted this year's inflow at 18 billion dollars and advised the government to take measures to curb the side-effects.

Stock Market Situation Under Real-Name System Viewed

SK1401013994 Seoul YONHAP in English 0045 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—Little money has flowed out of the stock market since introduction of the real-name financial system in August last year, while large deposits have increased, Daewoo Securities Co. said Friday.

In a comparative survey in April, June, September and November last year, Daewoo found a drop in the total number of accounts at its branches after it became mandatory to use real names, but a fast rise in large deposits.

Accounts totaled 605,717 in April, rose 3.91 percent to 629,422 in June, fell 13.66 percent to 543,470 in September and sank 6.29 percent to 509,289 in November.

Large deposits, above 100 million won (123,304 U.S. dollars), totaled 4,207 in April, rose 6.99 percent to 4,501 in June, dropped 6.51 percent to 4,208 in September and, immediately after introduction of the real-name system, recovered 9.13 percent to 4,592 in November.

Large deposits accounted for 0.69 percent of the total accounts in April, 0.72 percent in June, 0.77 percent in September, and 0.9 percent in November.

They made their way to the stock market because they had little choice of places to go after the real-name system took effect, a Daewoo official said.

Large deposits grew 59 each in Kangnam and Kangpuk, both in Seoul, 47 in Pusan, and 44 in South Kyongsang Province during September-November.

Measures To Stabilize Stock Market Prepared

SK1401062294 Seoul YONHAP in English 0609 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—Prices crashed on the Korea stock exchange on Friday after the government announced that it was preparing measures to take some of the heat out of the market.

The all-share composite stock price index was nearing 900 points on a three-day rebound when the announcement that the government wanted prices to drop sent it nose-diving 15.85 points to 882.81 as of 2:15 p.m.

It had diagnosed signs of overheating in the market, the government said, and so decided to cool things off by letting securities companies lend shares, making institutional investors put down deposits on stock like small investors, and encouraging banks and other financial institutions not to buy shares. This is to take effect on Monday.

There was little change on the surface at first as the flood of sell offers generated by the rebirth of share loans and selling by the stock stabilization fund was absorbed, but the selling got the upper hand toward the end of the morning session.

Just a few high PER (price/earnings ratio) shares such as Taekwang Industrial Co. and large manufacturing issues such as Pohang Iron and Steel Co. and Samsung Electronics Co. rose by the daily ceiling.

Commodity Exports Reach $102 Million in Final Quarter

SK1301013394 Seoul YONHAP in English 0109 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—South Korea exported 280 strategic commodities for 102,285,000 U.S. dollars in the final quarter of 1993, the Trade, Industry and Energy Ministry said Thursday.

Korea joined the Coordinating Committee for Multilateral Export Controls (COCOM) in October after establishing a system according to a memorandum of understanding on exports of strategic commodities and technical data signed in September 1987.

The exports comprised 100,912,000 dollars of telecommunications equipment, including computers, 963,000 dollars of machinery, including navigation systems, and 410,000 dollars of materials, including carbon fiber.

Exports to former or current communist countries, including China, Poland, Russia, Vietnam and Hungary, were less than 19.8 million dollars, or 19.4 percent of the total. The remaining exports of strategic goods were to Singapore, Germany, Malaysia, Hong Kong, the United States and Taiwan.

Import certificates issued by the government reached 1,962 million dollars.

The certificates are promises by a company not to export strategic items that it has purchased, and must be sent to the seller before he can ship the goods.

International, Paging Call Rates To Be Unified, Reduced

SK1301082394 Seoul YONHAP in English 0731 GMT 13 Jan 94

[Text] Seoul, Jan. 13 (YONHAP)—International telephone rates will be lowered at least 3 percent and paging rates reduced more than 5 percent in the second half of the year, when they are unified, Communications Minister Yun Tong-yun said Thursday.

Companies with their own communications networks, like Korea Electric Power Corp. (KEPCO) and Korea Highway Corp., will be able to take part in exclusive circuit projects such as cable television from next January, Yun told reporters after reporting his communications agenda to the president earlier in the day.

The fences between general and specific communications sectors will be torn down, paving the way for all the telecommunications companies to jump into other communications businesses, Yu said.

Aides of Former Legislator Queried on Missing Document

SK1401030494 Seoul YONHAP in English 0238 GMT 14 Jan 94

[Text] Seoul, Jan. 14 (YONHAP)—The Defense Security Command Friday questioned two former aides of Rep. Cho Sun-hwan of the United People's Party about a missing classified document, grilling them about how they had handled the material.

The two are former assistant Yi Un-chae, 38, and former secretary Chong Chu-hun, 31.

Noting that Chong made three visits to Japan between 1987 and 1993, the interrogation focused on whether he had any connection with Chochongnyon, the pro-Pyongyang Association of Korean Residents in Japan, a spokesman said.

Chong lived in Japan between July 18, 1987, and Nov. 17, 1990, for study; and between Nov. 21, 1990, and April 13, 1993, for further study. He visited Japan from Sept. 30 to Oct. 3, 1993, on business.

Chong and Yi were summoned for interrogation on Thursday afternoon after a tip that he planned to visit Japan again.

Burma

Khin Nyunt on Border Development, Drug Efforts

BK1401142194 Rangoon Radio Burma in Burmese 1330 GMT 13 Jan 94

[Excerpts] The coordination meeting No. 1/94 of the Work Committee for the Development of Border Areas and National Races [WCDBANR] was held in a new hall of the Ministry of Defense Services at 1430. Lieutenant General Khin Nyunt, chairman o. the WCDBANR and secretary-1 of the State Law and Order Restoration Council [SLORC] attended the meeting and delivered an opening address.

In his opening speech, he said today's meeting is the work committee's first meeting in 1994. He added responsible personnel of the work committee have he' 1 coordination meetings whenever it is necessary even though the work committee does not want to hold meetings very often. He continued and said he coordinated development activities for Kachin Special Region-2, which are to be implemented by joining hands with the Kachin Independence Army [KIA]—an armed organization, with the chairman of the WCDBANR subcommittees. He said it has been nearly five years since the implementation of the development of border areas and national races began in May 1989. He noted that the implementation of development activities in the regions now have to be expanded for jungle-based organizations who are going to return to the legal fold. He continued that border areas and national races development activities are not the sole responsibility of the Ministry of Development of Border Areas and National Races and said all the ministries have to carry out these activities as if they are their main tasks. He said the implementation of border areas and national races development activities is actually the fulfillment of the three cardinal causes. [nondisintegration of the union, nondisintegration of national solidarity, and perpetuation of national sovereignty]. [passage omitted]

He then added that preparations must be made now to introduce for substitution crops for opium in the respective regions. When this is accomplished, the substitution crops can be cultivated effectively during opium growing season. That is why preparations are necessary to ensure the needed supply of seeds, saplings, machinery, fertilizer, and other equipment. [passage omitted]

Continuing, he said the state government has been carrying out border area development activities effectively and with genuine goodwill. One can see the gradual growth in urban and rural development when compared to the previous situation. The jungle- based armed organizations have realized their activities are not benefiting the country and local native people, and they also believe that the state government is really working for the benefit of national races in border areas. That is why, they are offering to hold peace talks. If the armed insurgencies subside in various border regions, these regions will become calm and the state government will be able to carry out more development activities than what is currently being done. [passage omitted]

He then added that we should look at the work being carried out to eradicate narcotic drugs in border areas. The destruction on 27 October of an old opium refinery and equipment by local natives near (Aunglankhet), (Khinpunlon) Village Tract, Kokang region should be hailed and documented. He noted that the state considers the eradication of narcotic drugs a national duty. This is the reason the creation of business enterprises, which will aim to completely eradicate the cultivation of narcotic drugs, was mentioned in the objectives of the Law on the Development of Border Areas and National Races. The law was proclaimed on 13 August 1993. He spoke next about the eradication of narcotic drugs in border areas. He said the state has reached an agreement on short- and long-term plans, a six-year plan in Kokang region and a 10-year plan in Wa region, with local leaders. That is why, regional work committees must keep a close eye on the annual reduction in narcotic drugs and their destruction drugs in their respective regions. [passage omitted]

He concluded his opening speech by saying that one can see the state leaders' goodwill for national brethren by looking at the amount spent for the development of national brethren. [passage omitted].

Lt. Gen. Khin Nyunt said in his closing speech that even though SLORC intends to carry out development activities in every state, priority has been given only to the poor states. The SLORC has realized that national development activities can only be carried out effectively and ultimately when there is national solidarity. The SLORC discussed and coordinated the return of jungle-based armed organizations to the legal fold to ensure national unity. Due to this invitation, some jungle-based armed organizations have made contact regarding their return to the legal fold. Some are holding discussions and coordinating at the lower level. [passage omitted]

KNU 'Optimistic' on Rebel Support for Talks

BK1401022794 Bangkok BANGKOK POST in English 14 Jan 94 p 8

[Excerpts] The oldest, most powerful Burmese guerrilla group will probably win the support of the rest of the opposition for negotiations with the military junta in Rangoon, the group said yesterday.

"We are optimistic," said Karen National Union (KNU) spokesman Arthur Shwe.

The spokesman was referring to the Democratic Alliance of Burma meeting in progress at Mannerplaw, the headquarters of the KNU, in the Karen state across the Thai border. [passage omitted]

At the meeting, expected to end today, Shwe said, the KNU intends to obtain the Democratic Alliance's support for opening a dialogue with the SLORC, which should begin with a ceasefire.

"I think there will be no problem," he said. [passage omitted]

Analysts say the possible opening of negotiations between the KNU and the SLORC is the clearest indication of the beginning of a thaw between the dictatorship and the opposition. [passage omitted]

Negotiations with the SLORC are in progress at Loi-Kaw, capital of the state of Kayah, home of the Karen's "cousins", the Karennis, who have also been fighting Rangoon, Shwe said. [passage omitted]

Dissident Burmese students who fled a bloody crackdown against democracy to join ethnic minority rebels vowed yesterday to press on with their war against Rangoon's junta.

The students were reacting to a decision of their allies to enter peace talks with the generals.

"Even if the Karen and other rebel organisations reach agreements with the regime we will continue our struggle because our goals are different," Kyaw Kyaw, 29, vice chairman of the All Burma Students Democratic Front (ABSDF) told reporters at a jungle camp on the Thai-Burmese border.

"The ethnic minority rebels have been fighting for their autonomy but we students are fighting for democracy throughout Burma," he said.

Another pro-democracy dissident said they would never abandon efforts to free Burma's detained opposition leader Aung San Suu Kyi.

Brunei, Malaysia & Singapore

Malaysia

Badawi: Singapore 'Committed' to EAEC

BK1401110794 Kuala Lumpur BERNAMA in English 0929 GMT 14 Jan 94

[Text] Kuala Lumpur, Jan 14 (OANA-BERNAMA)—Malaysia and Singapore Friday agreed to expedite efforts to realise the East Asia Economic Caucus (EAEC), and they did not rule out the possibility of seeing the caucus formed this year, Foreign Minister Abdullah Haji Ahmad Badawi said Friday.

He said Singapore, a party committed to the concept, understood the need to realise the caucus in the very near future in the light of the conducive atmosphere both inside and outside the region.

Obstacles are no longer there, more so with the change of Washington's stand (on the matter) and that of Tokyo's, he told reporters after a 90-minute meeting with Singapore Foreign Minister Professor S. Jayakumar who arrived here this morning on his first visit to Malaysia.

We like to see EAEC taking shape this year itself, he said, adding that the ASEAN Secretariat in Jakarta was working towards it.

He said Prof. Jayakumar agreed that given the present circumstances, there was no reason for the caucus not to be realised soon.

Abdullah said he hoped that the working relationship between Kuala Lumpur and Singapore need not be too formal and that the cordial ties should also be enhanced down the line, especially at the officials level. Being neighbours, Ablullah said, a good relationship between the officials was vital to further maintain the long-standing bilateral ties.

Country 'Disappointed' With Israel, Gives PLO $5M

BK1301150294 Kuala Lumpur BERNAMA in English 0745 GMT 13 Jan 94

[Text] Kuala Lumpur, Jan 13 (OANA/BERNAMA)—Malaysia is disappointed that Israel is deliberately delaying transfer of power to the Palestinians in the Gaza Strip and Jericho on the West Bank, Foreign Minister Abdullah Ahmad Badawi said Thursday.

Malaysia hoped Israel would be sincere and committed to the peace agreement which it signed on Sept 13 with the Palestine Liberation Organistion (PLO) giving limited self rule in the two areas, he said.

The new year has come and a Palestinian government should have been in place in the two areas, he told reporters before giving a cheque for RM13.6 million (about U.S. $5 million), being a donation from the Government of Malaysia, to Palestinian Ambassador Ahmad al- Farra, here.

Malaysia hoped the agreement would be implemented as soon as possible, he said.

He said Malaysia would continue to support the aspirations of the people of Palestine to have their own independent homeland with Jerusalem as the capital.

Abdullah said Malaysia was the first country to give direct financial aid to the Palestine National Council authority to develop the Gaza Strip and Jericho when the two areas were returned to the Palestinians.

The donation represented Malaysia's fulfillment of a pledge to the PLO to help it redevelop the two areas, he said.

Malaysia is also ready to give all necessary aid to Palestine in the development of its human resources and institutions under its technical cooperation programme, he said.

Ahmad al-Farra said the financial aid reflected Malaysia's strong support for the Palestinian cause.

He said there were four main factors which had stalled the transfer of power in the Gaza Strip and Jericho.

The factors were related to the side of the area in Jericho to be turned over to the Palestinians, who is to administer the border area between Jericho and Jordan and the Gaza Strip and Egypt, security for the Jewish community in Gaza Strip and the question of Jerusalem.

PRC Told Ties With Taiwan 'Strictly Economic'

BK1401104994 Kuala Lumpur BERNAMA in English 0932 GMT 14 Jun 94

[Text] Kuala Lumpur, Jan 14 (OANA-BERNAMA)—Malaysia assured China Friday that its relationship with Taiwan is strictly economic, saying it would not do anything to harm Kuala Lumpur-Beijing ties. Recognising the one China policy, Malaysia was exercising its right as a business partner to hold talks with Taipei, one of its major investment and trading nations.

We understand Beijing's sensitivity over the China-Taiwan policy and we want them to know that we are aware of it, Abdullah told reporters after meeting Singapore Foreign Minister Professor Jayakumur at Foreign Ministry here.

Abdullah was responding to China's warning to Malaysia (and Singapore) Thursday for hosting a private visit by Taiwanese Premier Lien Chan which, it claimed, had overstepped the mark of approved contacts with the nationalist island.

China Foreign Ministry spokesman Wu Jianmin yesterday claimed that countries which have dilpmmatic relations with Beijing had gone beyond non-governmental contacts with nationalist Taipei.

Abdullah said that Beijing should also understand that Taipei was an economic entity with which Malaysia has been having good relations over the years.

Malaysia is a good friend of China's, he said, adding that it would never bo anything detrimental to the relationship.

Abbullah said there had been no official protest from Beijing over the visit two weeks ago which was the first since 1974. The premier visited Singapore later.

Malayia severed diplomatic relations with Taipei 20 years ago after it recognised China under the so-called one China policy

Suharto Offers Presidential Helicopter

BK1401080694 Kuala Lumpur BERNAMA in English 0712 GMT 14 Jan 94

[Text] Jakarta, Jan 14 (OANA-BERNAMA)—President Suharto has offered a Super Puma helicopter used by the presidential palace to Malaysia for the use of Prime Minister Dr. Mahathir Mohamed and his deputy, Anwar Ibrahim;

The offer was made by Suharto when Anwar paid a courtesy call on him yesterday in conjunction with his two-day visit here, Anwar told Malaysian reporters Friday.

The offer is very touching indeed, he said before leaving for home in an RMAF [Royal Malaysian Air Force] aircraft.

Malaysia bought a Super Puma from Industri Pesawat Terbang Nusantara (IPTN) [National Aircraft Industry] in 1989 for VIP use.

The helicopter crashed in Sungai Petani, Kedah, two weeks ago while on its way to pick up Anwar in Kangar.

Science, Research and Technology Minister B.J Habibie, who heads the IPTN, also offered to provide the crew for the aircraft.

Anwar said Habibie felt that initially, the Indonesian crew might be useful.

He said he informed Suharto and Habibie that the offer was very touching and Malaysia welcomed it.

Anwar said he would brief Dr. Mahathir on the offer for follow up action.

New Deputy Finance Minister Sworn In 12 Jan

BK1201153294 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 12 Jan 94

[Text] Senator Mustapha Mohamed was sworn in as the new deputy finance minister before Paramount Ruler Sultan Azlan Shah at the National Palace in Kuala Lumpur today. Present at the ceremony were Datuk Sri Dr. Mahathir Mohamed, prime minister; Tun Hamid Omar, lord president of the federal courts of Malaysia; Attorney General Datuk Mokhtar Abdullah; Rahim Mohamed Noor, deputy inspector general of police; Tan Sri Ahmad Sarji Abdul Hamid, chief secretary to the government.

The appointment of Senator Mustapha, 44, was announced by Dr. Mahathir after the later chaired the UMNO [United Malays national Organization] Supreme Council meeting last Saturday. Senator Mustapha is replacing Mr. Abdul Ghani Othman, who has now been appointed youth and sports minister. Mustapha was appointed senator in 1991, which made him eligible to be appointed the parliamentary secretary of the Finance Ministry.

Singapore

Government To Review Law on Patents, Bankruptcy

BK1301094894 Singapore THE STRAITS TIMES in English 12 Jan 94 p 1

[Text] A major review of laws will be conducted by the Law Ministry and the Attorney-General's [A-G] Chambers to provide adequate legal infrastructure to support Singapore's drive to go regional.

They will, when appropriate, adopt international conventions and model laws which harmonise and facilitate international trade and dispute settlements.

In his addendum to the President's Address released yesterday, Law Minister S. Jayakumar said commercial laws will be reviewed and modified where necessary to create a "more predictable legal environment" for businesses to operate.

He also cited two priorities in law reform: patents and bankruptcy.

New laws will be introduced to upgrade the current patent system and make it more convenient for Singaporeans to obtain patent protection for their inventions.

The ministry plans to change the current requirement that Singaporeans must first have patent protection in the United Kingdom before their inventions can be protected here. Singaporeans will instead be allowed to file applications for patents locally.

On bankruptcy, laws will be introduced to improve the administration of the affairs of bankrupts, and to protect creditors' interests without stifling entrepreneurship.

"We will strike a fair balance between the interests of the debtor, the creditor and society," he said.

There will be greater accountability of bankrupts in the administration of their estates on the one hand, and speedier discharges of bankrupts on the other.

He said the ministry will review other Acts of Parliament which rely on English law. This follows the enactment of the Application of English Law Act 1993, which makes Singapore's commercial law independent of future legislative changes in the UK.

Legislation will also be introduced to abolish all appeals to the Privy Council, a move announced by Chief Justice Yong Pung How on Saturday.

The Registry of Land Titles will convert all lands from the common law to the land titles registration system. It will also computerise the Land Titles Register to handle more land transactions and public searches.

Finally, the A-G's Chambers will provide better legal advice to ministries and government departments by centralising services in its civil division.

Cambodia

Cambodian-Thai Joint Communique Issued

BK1401030194 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 13 Jan 94

["Cambodian-Thai Joint Communique"; issued in Phnom Penh on 13 January—read by announcer]

[Text] 1. At the invitation of Prince Krompreah Norodom Ranariddh, first prime minister, and His Excellency [H.E.] Hun Sen, second prime minister of the Royal Government of Cambodia [RGC], H.E. Chuan Likphai of the Kingdom of Thailand [KOT], paid an official visit, the first by the Thai Prime Minister, to the Kingdom of Cambodia [KOC] from 12 to 14 January.

2. During the stay in Cambodia, H.E. Chuan Likphai met with Samdech Chea Sim, chairman of the National Assembly and acting head of state. Samdech Chea Sim and H.E. Chuan Likphai exchanged views on the current situation and the relations between the KOC and the KOT and expressed satisfaction at the continuation of close ties of friendship and cooperation between the two countries. H.E. Chuan Likphai conveyed the best wishes of King Phumiphon Adunyadet and the Thai people, through Samdech Chea Sim, to His Majesty [H.M.] King Norodom Sihanouk, good health, longevity, and happiness.

3. During the visit H.E. Chuan Likphai and delegation laid wreaths at the independence monument and visited many important cultural and historic centers in Phnom Penh City and in Siem Reap Province. H.E. Chuan Likphai and H.E. Hun Sen presided over the opening of National Route 5 between Poipet and Sisophon which was repaired and restored by the Royal Thai Government.

H.E. Chuan Likphai and H.E. Hun Sen also took part in inaugurating the friendship bridge at Khlong Loek-Poipet, which was funded by the British Government and built by the Royal Thai Government.

4. The official talks between the delegation of the Royal Thai Government led by H.E. Chuan Likphai and that of the RGC led by Prince Krompreah Norodom Ranariddh and H.E. Hun Sen were held on 12 January at the prime ministers' office.

The talks went on in an atmosphere of friendship, mutual understanding, and cooperation.

5. The Cambodian side welcomed the first official visit to Cambodia by the Thai prime minister and noted the importance of this visit, which opens a new page in the two countries' relations. The Thai side expressed its admiration for the warm welcome and the cordiality offered by the Cambodian side.

6. The Thai side congratulated H.M. King Norodom Sihanouk on the occasion of his accession to the throne and highly valued his leading role in contributing to the development of peace and national reconciliation in Cambodia.

7. The two sides noted that the end of the cold war has brought an atmosphere that increases mutual understanding and cooperation among nations in Southeast Asia.

8. The Thai side welcomed and voiced strong support for the establishment of a new democratic Cambodian Government. The Thai side praised the RGC's continued efforts aimed at bringing about genuine national reconciliation in accordance with the lofty initiative of H.M. King Norodom Sihanouk.

9. The Cambodian side expressed gratitude to the Thai people for their firm and constant support for the peace process in Cambodia and the constructive role in the successful implementation of the Paris peace agreement.

10. The Thai side informed the Cambodian side that for the 1993-94 fiscal year, the Royal Thai Government has provided 30 million baht to assist Cambodia, particularly to develop human resources and technical assistance in various fields such as public works, public health, agriculture, vocational training, education, banking, civil aviation, science, and technology.

The Cambodian side thanked the Thai side for providing this assistance.

11. The two sides expressed satisfaction at the current situation of relations betwen the two countries and reaffirmed their determination to constantly and concretely heighten bilateral relations on the basis of mutual interest and respect for each other's independence, sovereignty, and territorial integrity, and noninterference in each country's internal affairs.

12. With the aim of promoting trade and investment, the Cambodian side reaffirmed its policy to respect all legitimate contracts signed between Thai businessmen and the Cambodian side and by Cambodian businessmen with the Thai side.

In cases of unclear trade contracts, the Cambodian side informed that it will properly reexamine those contracts without bias. While waiting for changes to be made to them, discussions will be held with relevant Thai businessmen aimed at ensuring legitimacy and mutual benefit for all sides.

Responding the Cambodian side's request, the Thai side agreed that the Cambodian side will export 10,000 tonnes of soybeans until July 1994.

13. The two sides exchanged views on expanding bilateral relations and agreed that potential for broad cooperation rests on aquatic products, joint development of the coast, and tourism.

Criminal and illegal activities by individuals or armed groups along the Cambodian-Thai border, which affect the two countries' security, will be seriously dealt with. In this sense, an agreement on the establishment of a joint commission for Cambodian-Thai bilateral cooperation was signed by the two countries' foreign ministers. The two side also agreed to set up a joint Cambodian-Thai committee on boundary at an appropriate time.

14. The two sides agreed in principle that the royal visit to be made by H.M. King Norodom Sihanouk to the KOT will expand the existing close and happy relations between Cambodia and Thailand. The date and the agreement on this visit will be communicated through diplomatic channels.

15. The two sides welcomed the results of the visit to the KOC by the Thai Prime Minister, which is an important basis in the history of good relations between the two countries. The two countries also welcomed regular exchanges of visits by the two countries' leaders, which will promote and heighten the bilateral relations. The two sides also agreed to increase such visits in the future.

[Dated] Phnom Penh, 13 January 1994

[Signed] For the RGC,

Prince Krompreah Norodom Ranariddh, RGC first prime minister, H.E. Hun Sen, RGC second prime minister

For the Royal Government of the KOT,

H.E. Chuan Likphai, prime minister of the KOT

Tie Banh on Thai Border Issues, Joint Commission

BK1401012794 Bangkok BANGKOK POST in English 14 Jan 94 pp 1, 3

[Excerpts] Thailand and Cambodia yesterday set up a general framework for bilateral cooperation and put on record their agreement in principle to work toward a specific mechanism for dealing with boundary issues.

The general framework, the Joint Commission, was set up under an agreement signed by Foreign Minister Prasong Sunsiri and his Cambodian counterpart Prince Norodom Sirivut.

Agreement in principle to set up a "Joint Committee on Boundary" was recorded in a joint communique signed by Prime Minister Chuan Likphai and Cambodian co-prime ministers Prince Norodom Ranariddh and Hun Sen.

The Joint Commission is expected to hold its first meeting later this year in Bangkok, according to a delegation source.

It remains unclear at this point whether the Joint Committee on Boundary will come under the umbrella of the Joint Commission, the source said.

But the boundary committee will deal specifically with questions of borderline by land and sea, he said.

The boundary committee was proposed by Thailand in a bid to stem future border problems.

"The Joint Boundary Committee will provide an opportunity for both sides to make direct contact at all levels if problems arise," said the source. [passage omitted]

Cambodian Defence Minister Tie Banh emphasised the importance of reaching a fair agreement on sharing resources such as gas and oil.

Fisheries so far have caused "minimal conflict" but authorities from both countries should try to prevent any deterioration, he said.

Issues involving the land boundary he said, were more difficult to settle at this stage because some areas remained beyond control.

He argued for better roads linking remote areas, saying "when (we) have routes, all things will follow, including trade and public health".

"But this needs a lot of money, tools and human resources. It's not very easy for a poor country like ours to talk about much money," he said.

Gen Tie Banh also noted that a permanent checkpoint between Klong Luek and Poipet would be declared open "very, very soon". In the way are technical details on customs and immigration.

Customs procedures are important to the transfer of logs, including those in Khmer Rouge zones, to Thailand, a source said. But the Cambodian government is not expected to extend the March 31 deadline for the transfer of felled logs.

"They are more interested in joint ventures with foreign logging companies after the deadline expires," said the source.

Gen Tie Banh said permanent checkpoints between Klong Yai and Koh Kong, further south, and Chong Chom and Chong Anma, further north, were also under consideration. [passage omitted]

The Joint Commission with Cambodia follows similar frameworks for cooperation with Laos and Vietnam.

Under a Thai Foreign Ministry proposal approved by Cabinet, the Joint Commission with Cambodia is designed to facilitate consultation and cooperation for mutual benefit in matters of trade, science and technology, and social issues.

The Joint Commission is to meet once yearly in alternate capitals and the agreement will be valid for five years.

Thai Premier on Investment For 'Mutual Interest'

BK1401014994 Bangkok BANGKOK POST in English 14 Jan 94 p 19

[Excerpts] Prime Minister Chuan Likphai says foreign investors should steer clear of short-term ventures that unduly exploit Cambodians.

"Investment should be based on mutual interest with no exploitation and it must be in line with the direction and the interests of the people who own the country," he told more than 200 Cambodian officials and Thai businessmen at a seminar on investment in Cambodia.

The seminar, entitled New Dimension of Cambodia's Investment and Environment, is organised by the Board of Investment and the Thai Embassy. It is the first major seminar since the formation of the elected Cambodian Government. [passage omitted]

Mr Chuan, accompanied by a large delegation of public and private sector officials, arrived on Wednesday for what embassy officials called an "historic visit" aimed at boosting the often troubled relations between the two neighbouring kingdoms.

The visit was to focus primarily on trade, which the premier said had "expanded rapidly from around $600,000 in 1988 to $183 million in the first half of 1993". [passage omitted]

He said more than 10,000 million baht had been invested by Thais in Cambodia and this showed they had great interest in Cambodia. [passage omitted]

"We want to see the good investors drive out the bad."

The deputy governor of the National Bank of Cambodia said the Khmer Government did not control money transfers and foreigners were free to transfer their profits.

Companies have to pay 20-30 percent income tax. The Government will waive it for four years starting from when the company makes a profit and waive import duty on materials and machinery for export- oriented projects.

Federation of Thai Industries president Chokchai Aksaranan called on the Cambodian Government to have a clear-cut policy on trade and investment.

"The policy must be clear and transparent and must not be changed so often," he said.

Accord Signed With Japan on Infrastructure Aid

BK1401065294 Phnom Penh AKP in French 0415 GMT 14 Jan 94

[Text] Phnom Penh 14 Jan (AKP)—An agreement on Japanese aid to Cambodia was signed on 11 January in Phnom Penh by Prince Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation, and Katsuhiro Shinohawa, acting charge d'affaires of Japan in Cambodia.

According to this agreement, Japan will provide Cambodia with $9 million. The first installment of the aid is for the restoration of the "ODEM" [expansion unknown) bridge and the road building center and for the waterworks in Phnom Penh.

On this occasion, Prince Norodom Sirivut deeply thanked Japan for assisting in the restoration of roads and bridges, electricity, and drinking water in Cambodia.

For his part, Katsuhiro Shinahawa said the second installment of aid for a $25-million project will arrive in Cambodia this year in which $20 million will be designated for drinking water, with the remaining for bridges and roads.

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